



# CITY OF CARSON

## PLANNING COMMISSION STAFF REPORT

PUBLIC HEARING: June 9, 2015 (Continued from May 12, 2015)  
SUBJECT: Text Amendment No. 20-15  
APPLICANT: City of Carson  
REQUEST: To consider adoption of an Ordinance prohibiting hydraulic fracturing (“fracking”), acidizing and any other form of well stimulation, and a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308  
PROPERTY INVOLVED: City-wide

---

### COMMISSION ACTION

### COMMISSIONERS' VOTE

<u>AYE</u>	<u>NO</u>		<u>AYE</u>	<u>NO</u>	
		Chairman Diaz			Mitoma
		Vice-Chair Madrigal			Post
		Andrews			Schaefer
		Faletogo			Thomas
		Gordon			

## I. **Introduction**

This matter was considered by the Planning Commission on February 24, 2015, April 14, 2015, and May 12, 2015, refer to Exhibits 2 and 3. At the May 12, 2015 hearing, the Planning Commission again took public testimony and continued this matter to June 9, 2015. This Staff Report provides a status update regarding a meeting with stakeholders having an interest in oil and gas production, as well as additional refinements recommended by staff.

## II. **Background**

### *Proposed Refinement to the Ordinance*

On May 12, 2015, the Planning Commission provided no additional direction regarding Zone Text Amendment 20-15, which proposes an update to the Carson Municipal Code to prohibit hydraulic fracturing (“fracking”), acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city.

## III. **Analysis**

Staff continues to recommend the addition of language to prevent a “taking” that would require the City to pay compensation, and additional language to clarify the prohibition would remain in effect unless mandated by law. The Planning Commission did not request staff to make additional revisions to this Ordinance.

All proposed refinements have been highlighted in a revised Oil and Gas Code update, refer to Exhibit 5.

### *Additional Outreach*

As directed by the Planning Commission, staff held a fourth meeting with several representatives of oil and gas interests on May 26, 2015. The meeting again lasted in excess of five hours and involved discussion and feedback to staff regarding a wide variety of issues. No changes are recommended to the Ordinance. Additional letters and correspondence, if any, have been included in Exhibit 1. No further meetings have been scheduled with the oil and gas interests.

Staff have also received additional comments, studies and recommendations from a variety of sources, which have been included in the administrative record and are available on the City’s website for review at <http://ci.carson.ca.us/departments/communitydevelopment/oilcodeupdate.asp>.

### *Conclusion*

Approval of the Text Amendment will provide an update to the Carson Municipal Code to prohibit hydraulic fracturing, acidizing and any other form of well

stimulation as described in the Ordinance, and will also establish penalties for violations, refer to Exhibit 4.

**IV. Environmental**

Staffs' recommendation of a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308 remains unchanged from the prior Staff Reports.

**V. Recommendation**

If the Planning Commission is inclined to recommend approval of the Ordinance prohibiting hydraulic fracturing, etc., and the associated CEQA finding to the City Council with the staff additions, staff recommends the Planning Commission:

- **ADOPT RESOLUTION NO. \_\_\_\_\_:**
  - **RECOMMENDING APPROVAL** of a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308, as the Ordinance is an action taken by a regulatory agency for the protection of the environment; and
  - **RECOMMENDING APPROVAL** to the City Council an Ordinance to adopt Text Amendment No. 19-15 adding Sections 9536 and 9536.1 to Chapter 5 of Article IV of the Carson Municipal Code to prohibit hydraulic fracturing ("fracking"), acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city.

**VI. Exhibits**

1. Comment letters and correspondence received since May 12, 2015 Planning Commission meeting
2. May 12, 2015 Planning Commission Staff Report
3. May 12, 2015 Planning Commission Minutes
4. June 1, 2015 Oil and Gas Code with redline and strikeout (Consolidated Version), Refer to Text Amendment 19-15 Exhibit 5
5. Draft Resolution including the Draft Ordinance based on the consolidated June 1, 2015 Oil and Gas Code

Note: Additional studies, comment letters, etc. can be found at:  
<http://ci.carson.ca.us/departement/communitydevelopment/oilcodeupdate.asp>.

**Prepared, Reviewed and Approved by:** \_\_\_\_\_  
Saied Naaseh, Planning Manager

355 South Grand Avenue  
Los Angeles, California 90071-1560  
Tel: +1.213.485.1234 Fax: +1.213.891.8763  
www.lw.com

FIRM / AFFILIATE OFFICES

Abu Dhabi	Milan
Barcelona	Moscow
Beijing	Munich
Boston	New Jersey
Brussels	New York
Century City	Orange County
Chicago	Paris
Doha	Riyadh
Dubai	Rome
Düsseldorf	San Diego
Frankfurt	San Francisco
Hamburg	Shanghai
Hong Kong	Silicon Valley
Houston	Singapore
London	Tokyo
Los Angeles	Washington, D.C.
Madrid	

LATHAM & WATKINS LLP

May 12, 2015

BY EMAIL & HAND DELIVERY

Honorable Chair Faletogo & Honorable Planning  
Commissioners  
City of Carson Planning Commission  
701 East Carson Street  
Carson, CA 90745

Re: Proposed Ordinance to Ban Hydraulic Fracturing, Acidizing and Well  
Stimulation, Planning Commission Meeting, May 12, 2015, Agenda Item Nos.  
10-A, 10-B

Dear Honorable Chair Faletogo and Honorable Planning Commissioners:

We are writing on behalf of our client, Californians for Energy Independence, to once again express our strong opposition to the proposed ban on hydraulic fracturing, acidizing and well stimulation methods included in the proposed Carson Oil Code Update ("Proposed Ban").

The Proposed Ban is entirely unnecessary to protect the City's interests, citizens, or the environment. It is preempted by state law. The state's Division of Oil, Gas and Geothermal Resources ("DOGGR") has exclusive authority over all subsurface aspects of oil and gas production. The Proposed Ban exposes the City to significant liability for takings of private property without compensation, and, at the very least, the City would spend valuable and scarce resources fighting challenges to the Proposed Ban.

The Proposed Ban also would discourage future oil and gas production activity in the City and could result in a complete shutdown of all existing production, costing hard-working Carson residents their jobs and doing significant harm to the City's economy and its budget.

The Proposed Ban was first contemplated a year ago, following a debate over a temporary moratorium on oil production. On May 20, 2014, the City Council asked staff to update to the City's oil code and asked that staff include a prohibition on well stimulation, including hydraulic fracturing, in the update.

*Much has changed in the year since this direction was given. The Planning Commission should take into account what has changed in making its recommendation to the City Council. The Planning Commission should recommend against the Proposed Ban.*



LATHAM & WATKINS LLP

All of the developments in the past year clearly demonstrate that the state has fully occupied the field of subsurface regulation, and that hydraulic fracturing and well stimulation pose no risk to Carson, further obviating the need for a blanket ban.

DOGGR Permanent Regulations Finalized. When the initial discussion over the Carson Oil Code update occurred, DOGGR had only adopted interim well stimulation regulations pursuant to Senate Bill (SB) 4. Since that time, DOGGR completed and adopted permanent regulations for hydraulic fracturing and well stimulation. These new regulations will become effective on July 1 of this year. The permanent regulations supplement existing law, and together with existing laws, well stimulation activities in California will be subject to the strongest well construction and operation standards in the nation. They go further than any other jurisdiction in providing rigorous protection for health, safety, and the environment. The new regulations for well stimulation activities do the following:

- Well Stimulation Permits Required. Operators must obtain a permit from DOGGR before performing a well stimulation treatment.
- Neighbor Notification and Water Testing Required. Required notification to neighboring property owners before activities and neighbors may request baseline and follow-up water quality testing at operator's expense.
- Monitoring During Well Stimulation Treatment Required. Operators must monitor numerous benchmarks during well stimulation.
- Seismic Monitoring Required. Operators must track seismic activity during and after well stimulation treatment.
- Monitoring After Well Stimulation Treatment Required. Operators must perform ongoing well monitoring after well stimulation treatment, take all measures to prevent contamination of water resources or loss of hydrocarbon resources, and provide reports to DOGGR.
- Substantial Disclosure Required. Within 60 days of well stimulation treatment, operators must report to DOGGR the source, volume, and composition and disposition of well stimulation fluids and this information will be made public.
- Post-Well Stimulation Treatment Report Required. Within 60 days of well stimulation treatment operators must submit report to DOGGR covering results, pressures encountered, and how operations differed from what was anticipated in treatment design.
- Extensive Evaluation Prior to Well Stimulation Treatment Required. Operators must study cement, pressure testing, well stimulation treatment area analysis, and well stimulation treatment design.



LATHAM & WATKINS LLP

**State Environmental Impact Report Released.** On January 14, 2015, DOGGR released a Draft Environmental Impact Report for the use of oil and gas well stimulation treatments, including hydraulic fracturing, in California, pursuant to the requirements of SB 4. The Draft EIR made several key findings:

- All environmental impacts of hydraulic fracturing and well stimulation relating to groundwater resources and surface water resources would be *less than significant* with implementation of mitigation measures.
- Hydraulic fracturing and well stimulation would not cause earthquakes.
- Numerous mitigation measures recommended in the Draft EIR would further reduce environmental impacts of hydraulic fracturing and well stimulation.

The state's Draft EIR makes clear that while oil and gas production does have some environmental impacts, those impacts can largely be mitigated. The types of impacts which sparked the bulk of the discussion during previous Planning Commission hearings on the Proposed Ban, such as impacts to water resources and seismic risks, are simply not a concern with respect to hydraulic fracturing and well stimulation.

**Independent Scientific Studies Released.** The California Council on Science and Technology, in partnership with Lawrence Berkeley National Laboratory, is preparing two separate independent scientific studies on well stimulation, including hydraulic fracturing, in California. The first of these studies was commissioned by the federal Bureau of Land Management. The second was commissioned by the state Natural Resources Agency, pursuant to requirements imposed by SB 4. The studies assess current and potential future well stimulation practices in the state, including the likelihood that well stimulation technologies could enable extensive new petroleum production in the state, evaluate the impacts of well stimulation technologies and gaps in the data that preclude this understanding, identify risks associated with current practices, and identify alternative practices which might limit these risks. These studies make several important findings, including the following:

- In California, the direct environmental impacts of well stimulation practice appear to be relatively limited.
- Current hydraulic fracturing operations in California require a minuscule fraction of statewide water use.
- There are no publicly reported instances of potable water contamination from subsurface releases in California.
- Well stimulation technologies, as currently practiced in California, do not result in a significant increase in seismic hazard.

\* \* \*



LATHAM & WATKINS LLP

The developments in the past year represent significant advancements in the regulation of hydraulic fracturing and well stimulation in California. The state continues its assertive role in regulating these practices, while also encouraging the use of these practices where they are feasible in California. These developments have made it more clear than ever that local attempts to ban extraction methods are unnecessary to protect health or safety, and only serve to expose local municipalities to substantial litigation risk. Local bans also arbitrarily curtail the economic benefits and jobs that the energy industry supports.

For all of these reasons, we again strongly urge the Planning Commission to recommend against the Proposed Ban. Thank you for your consideration.

Very truly yours,



Benjamin J. Hanelin  
of LATHAM & WATKINS LLP

cc: Saied Naaseh, City Planner  
Sunny Soltani, City Attorney  
Shannon L. Chaffin, Aleshire & Wynder LLP  
George J. Mihlsten, Latham & Watkins LLP



# ALSTON & BIRD LLP

333 South Hope Street, 16th Floor  
Los Angeles, CA 90071-1410

213-576-1000  
Fax: 213-576-1100  
www.alston.com

Nicki Carlsen

Direct Dial: 213-576-1128

Email: nicki.carlsen@alston.com

May 12, 2015

VIA EMAIL ONLY  
dbothe@carson.ca.us

Planning Commission  
City of Carson  
701 East Carson Street  
Carson, CA 90745

Re: Zone Text Amendment Nos. 19-15 and 20-15

Dear Honorable Members of the Planning Commission:

We represent E&B Natural Resources Management Corp. ("E&B"), and are writing regarding the City of Carson's proposed Oil and Gas Ordinance (dated May 4, 2015) and Ordinance to ban well stimulation, also referenced as Text Amendments No. 19-15 and No. 20-15, to be heard by the Planning Commission on May 12, 2015. These ordinances were heard by the Commission on April 14, 2015, who provided direction to City staff in revising the ordinances. We submitted a letter, dated April 13, 2015, identifying many concerns regarding the ordinances, and suggested a further dialogue between the City and E&B and others with oil and gas interests in the City.

The proposed Oil and Gas Ordinance is lengthy regulatory program (over 60 pages), including provisions for the permitting process (Conditional Use Permit and Development Agreement) as well as detailed provisions regarding operational standards. As explained in our April 13, 2015 letter, we had many questions regarding how these provisions were to be interpreted, particularly with respect to those with existing oil and gas operations and vested rights.

After the last Planning Commission meeting, the City convened a meeting with the oil and gas interests, held April 28, 2015, and we made important progress in understanding the City's objectives and in conveying our thoughts regarding the proposed ordinances. Nonetheless, with many companies in attendance, not all issues were discussed, and several of the issues that were discussed required follow up action items. (For example, we were reviewing the insurance provision to determine the commercial availability of certain insurance coverage.)







May 11, 2015

Saied Naaseh  
Planning Manager  
City of Carson  
701 East Carson Street  
Carson, California 90745  
T: (310)952-1770  
[snaaseh@carson.ca.gov](mailto:snaaseh@carson.ca.gov)

**Re: Proposed Revisions to Regulations Dealing with Oil and Gas Drilling Operations**

Dear Mr. Naaseh –

This letter is submitted on behalf of the Carson Coalition, and comments on the further proposed revisions to the municipal code sections dealing with oil and gas drilling operations in the City of Carson (the "City"). This letter follows up on the comments provided by Robert Lesley prior to the comment deadline.

The Carson Coalition is dedicated to protecting the health and well-being of the citizens of Carson, and is concerned about the harmful effects that continued oil and gas drilling operations will have on the community. They have been involved with the City's process for revising the municipal code, and they note that while some progress has been made in strengthening prohibitions on oil and gas development, the code revisions do not provide adequate protections to city residents. Therefore, the Coalition urges the City to take a stronger stance in prohibiting oil and gas development within City boundaries.

As the Coalition has pointed out in previous letters, other municipalities such as San Benito County and Mendocino County have enacted zoning laws prohibiting harmful extraction techniques like fracking and future oil and gas development. Such prohibitions are well within the legal authority of local governments, and the City should use its authority to enact a similarly comprehensive ban.

In San Benito County, in recognition of the dangers posed by "high-intensity petroleum operations" such as fracking, acid fracking, acid matrix stimulation, and cyclic steam injection, the county supported placing a popular initiative banning land use for new high-intensity



petroleum operations on the November 2014 ballot.<sup>1</sup> The initiative amended the county's General Plan to prohibit land uses supporting high-intensity petroleum operations, stating:

The development, construction, installation, or use of any facility, appurtenance, or above-ground equipment, whether temporary or permanent, mobile or fixed, accessory or principal, in support of High-Intensity Petroleum Operation(s) is prohibited, and is not a permitted use in any zoning districts, specific plan areas, or planned development areas. No application for a building permit, use permit, variance, or any other entitlement authorizing the development, construction, installation, or use of any facility appurtenance, or above-ground equipment in support of High-Intensity Petroleum Operations shall be approved by, or deemed to be approved through inaction by, the County of San Benito or any officer or employee thereof.

(Measure J, at p. 9.)<sup>2</sup> While the initiative allowed operators with vested rights to continue operations, it required that they bring their operations into conformity with the initiative's land use requirements within a year, ceasing high-intensity operations after that time. (*Ibid.* at p. 7.) The initiative is now in effect, after passing during the November 2014 election, and after Citadel Exploration withdrew its legal challenge to the initiative.<sup>3</sup>

Other local governments have taken similarly strong stances against fracking and other types of dangerous well stimulation treatments. In May 2014, Santa Cruz County enacted a ban on fracking and other types of extraction operations, adopting amendments to its general plan prohibiting:

[D]evelopment, construction, installation, or use of any facility necessary for or intended to support oil or gas exploration or development from any surface location within the unincorporated area of the County of Santa Cruz... This prohibition applies to facilities directly involved in oil and gas exploration, production, and refinement such as wells, pipelines and pumps.

<sup>1</sup> The text of "Protect Our Water and Health: Ban Fracking Initiative" ("Measure J") can be found here:

<https://docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbnczYW5iZW5p dG9yaXNpbmcyfGd4OjE1NTNINTIwNTU3YTM3NTU>

<sup>2</sup> A similar initiative was voted on in the March 2015 election in the City of La Habra Heights, and failed to pass. If passed, it would have amended the local land use plan to prohibit high-intensity operations: "[i]n light of serious concerns related to air, water, health, and quality of life no land within the City may be used for the development, construction, installation, or use of any facility, appurtenance, or above-ground equipment, whether temporary or permanent, to support new High-Intensity Petroleum Operations, drilling new oil and gas wells or reactivation of Idle Wells..." See

[http://www.lhhcity.org/index.php?option=com\\_docman&task=doc\\_details&gid=875&Itemid=27](http://www.lhhcity.org/index.php?option=com_docman&task=doc_details&gid=875&Itemid=27)

<sup>3</sup> See, <http://www.ksbw.com/news/-1-billion-lawsuit-dropped-against-san-benito-county/32241288>



(Santa Cruz County, General Plan Amendment attachment 2.)<sup>4</sup> In November 2014, a popular initiative in Mendocino County passed, banning "hydraulic fracturing 'fracking', directional and horizontal drilling, and waste injection wells."<sup>5</sup>

As shown by the successes of other municipalities in using local land use laws to prohibit dangerous extraction techniques, the City of Carson has the ability to ban well-stimulation treatments like fracking, and to require existing uses to ultimately be phased out. The City should use its regulatory powers in a similar manner here, to prohibit and phase-out the use of dangerous techniques like fracking.

Sincerely,

A handwritten signature in black ink, appearing to be "Shirley", written over a horizontal line.

Earthjustice,  
On behalf of the Carson Coalition

---

<sup>4</sup> Available at [http://sccounty01.co.santa-cruz.ca.us/BDS/Govstream2/Bdsvdata/non\\_legacy\\_2.0/agendas/2014/20140520-623/PDF/038.pdf](http://sccounty01.co.santa-cruz.ca.us/BDS/Govstream2/Bdsvdata/non_legacy_2.0/agendas/2014/20140520-623/PDF/038.pdf); see also, <http://www.reuters.com/article/2014/05/21/california-fracking-idUSL1N0O700J20140521>

<sup>5</sup> <http://web.archive.org/web/20140716005100/http://www.crnofmc.org/ordinance.html>; see also [http://ballotpedia.org/Mendocino\\_County\\_Community\\_Bill\\_of\\_Rights\\_Fracking\\_and\\_Water\\_Use\\_Initiative\\_Measure\\_S\\_\(November\\_2014\)](http://ballotpedia.org/Mendocino_County_Community_Bill_of_Rights_Fracking_and_Water_Use_Initiative_Measure_S_(November_2014))



May 12, 2015

41509-033

BY EMAIL

Members of the City Planning Commission  
City of Carson  
City Hall  
701 East Carson Street  
Carson, California 90745

Re: Proposed Zone Text Amendments 19-15 and 20-15 re Petroleum Operations, Hydraulic Fracturing and Acidizing (collectively, the "Amendment")

Ladies and Gentlemen:

We represent certain of the holders of mineral and related rights with respect to oil and gas resources located under the City of Carson, who would be seriously adversely affected by adoption of the Amendment. While we have written to the Commission previously on this subject, we are aware that new Commissioners have been appointed, and want to be sure the new Commissioners have the benefit of our perspective.

There is No Need for the Amendment

At the Commission's March and April hearings on the Amendment, some sincere speakers urged adoption of the Amendment because they assumed that enhanced methods of oil production would be dangerous to the community. They are not, as has been demonstrated in the City of Carson over the last sixty or seventy years that over one hundred oil wells have used enhanced production methods to produce oil from wells in the City, without harm to any person or any property.

The Amendment is a draconian solution searching for a problem. The City is not proposing the Amendment because of any damage it has ever suffered from fracking. The soils underlying the City are not suitable for fracking, so there has not been and will be no fracking in Carson whether or not the City adopts a ban on fracking.

Acidization, on the other hand, has been used in oil production in Carson for over fifty years without known incident. Again, the City is not proposing the Amendment because acidization has created any nuisance or hurt any person or any property, because it has not.

Acidization consists of putting acids such as hydrochloric acid or fluoric acid down a well for either of two purposes (aside from fracking, which is not relevant here): 1) to wash minerals from the well and its associated equipment, and 2) to help dissolve minerals at the bottom of the well that are clogging the well and impeding the flow of oil into the well.



Members of the City Planning Commission  
May 12, 2015  
Page 3

imposing regulations that go far too far in regulating—in effect banning—the production of oil and gas and thereby completely destroying the value of those rights.

The most recent draft attempts to protect the City from these claims by dropping the decision in the lap of the City Manager, who quite obviously will not have the expertise to evaluate the complex matters regulated by the hundreds of experts in the State's Division of Oil and Gas. And if, as seems likely given the impossibility of the task, the City Manager does not permit the production of oil and gas, the City will be on the hook for the damages.

### What is Needed

It appears to us that the consultants preparing the Amendment were instructed to prepare the most restrictive possible regulations, and in that they have succeeded. But they have not yet come close to a draft that is comprehensible, practical or legally defensible.

As noted above, the City should not attempt to regulate down-hole activities, which are thoroughly regulated by the State, and which the City does not have the expertise to regulate.

The City may need an update to those land use regulations governing surface activities, such as screening of production facilities—but only if and to the extent the City's existing land use regulations are inadequate. For example, as noted at the last hearing, the City doesn't need special measures to restrict noise at oil production sites when the City's existing rules are perfectly adequate for this.

Any Amendment ultimately adopted should be a balanced ordinance that protects the people of Carson from surface nuisances and allows without unnecessary burdens the continuation of the production of oil and gas that has been going on in the City without problem since 1923.

We urge you to send this draft Amendment back to staff with instructions to start fresh and prepare a balanced, protective and reasonable ordinance.

Sincerely,

  
Tom Muller

cc: Sunny Soltani, Esq.  
Shannon L. Chaffin, Esq.  
James D. Flynn  
John W. Hawkinson  
Edward G. Burg, Esq.  
Michael M. Berger, Esq.  
Craig A. Moyer, Esq.



## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Monday, May 11, 2015 6:17 PM  
**To:** Saied Naaseh  
**Subject:** RE: Question

How small does it need to be to not have to do an EIR? What I am seeing drilling will be allowed to be 500 ft from our homes, schools and business? And the City Manager to determine if stimulation is needed?

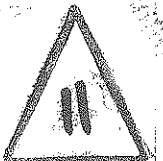
**From:** Saied Naaseh [<mailto:snaaseh@carson.ca.us>]  
**Sent:** Monday, May 11, 2015 6:04 PM  
**To:** Lori Noflin  
**Subject:** RE: Question

If you are referring to future drilling project, yes they will be required to comply with CEQA. Larger projects will require an EIR. The adoption of the code does not change environmental review of future projects.

Thanks  
Saied Naaseh  
Planning Manager  
City of Carson  
Community Development Department  
701 E. Carson Street  
Carson, CA 90745  
Phone: (310) 952-1770  
FAX: (310) 835-5749

**From:** Lori Noflin [<mailto:lnoflin@att.net>]  
**Sent:** Monday, May 11, 2015 6:01 PM  
**To:** Saied Naaseh  
**Subject:** Question

If this oil & gas code passes there will be no DEIR process in regards to oil and gas, is that correct?



## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Tuesday, May 12, 2015 5:44 PM  
**To:** Saied Naaseh  
**Subject:** Oil & Gas Code

I would like the below letter read for the record and entered with the oil and gas code documentation.

As it stands if we don't allow new drilling and we regulate existing wells to conventional drilling Watson Land, Carson Companies, Carson Estates, Occidental Petroleum and other interested parties would have no case against the City of Carson, if we show their property has any other use. We are not responsible for their expected profit. This would uphold the true purpose and history of Carson to the best of our ability.

If the Oil & Gas code is passed as presented, it gives our rights over to the drilling interests and makes us responsible for their expected profit. It gives the city manager the right to allow well stimulation under our homes and each well to use up to 25,000 gallons of water a day and 100,000 a week. A recent report shows Oklahoma going from 2 to 875 earthquakes a year because of water flooding near a fault. It in many cases hands our right to regulate to what is appropriate for our populated communities here in Carson over to DOGGR. Attached is the Oklahoma report. This would completely go against the true purpose and history of Carson.

You not only have the right to determine any part or all of oil drilling is unsafe for our populated communities you have the responsibility to protect the residents and City of Carson. A lawsuit won't kill us but the oil industry does and will continue to kill.

Carson residents will join together to file a class action suit both jointly and severely against anyone who participated in this assault on the people and City of Carson.

Sincerely,

Lori Noflin  
310 885-5860



## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Tuesday, May 12, 2015 6:47 PM  
**To:** Saied Naaseh  
**Subject:** Oil & Gas Code  
**Attachments:** OGS\_Statement-Earthquakes-4-21-15.pdf

I would like the Oklahoma report to be presented with my letter. See attached.

Lori Noflin  
310 885-5860







**Oklahoma Geological Survey**  
Richard D. Andrews  
Interim Director and State Geologist  
Dr. Austin Holland, State Seismologist  
**Statement on Oklahoma Seismicity**  
**April 21, 2015**

Based on observed seismicity rates and geographical trends following major oil and gas plays with large amounts of produced water, the rates and trends in seismicity are very unlikely to represent a naturally occurring process. Historically, the Oklahoma Geological Survey (OGS) recorded on average about 1 ½, magnitude three or greater (M3+) earthquakes each year, within Oklahoma. During 2013, the OGS observed on average about 2, M3+ earthquakes each week on average, and this rate continued to increase during 2014. Currently, the OGS is reporting on average about 2 ½, M3+ earthquakes each day. The OGS considers it very likely that the majority of recent earthquakes, particularly those in central and north-central Oklahoma, are triggered by the injection of produced water in disposal wells.

The primary suspected source of triggered seismicity is not from hydraulic fracturing, but from the injection/disposal of water associated with oil and gas production. Produced water is naturally occurring water within the Earth that is often high in salinity and co-exists with oil and gas in the subsurface. As the oil and gas is extracted/produced, so is the water. This water is then separated from the oil and gas and re-injected into disposal wells, often at greater depth from which it was produced. However, it is often stated that disposed water is wastewater from hydraulic fracturing. While there are large amounts of wastewater generated from hydraulic fracturing, this volume represents a small percentage of the total volume of wastewater injected in disposal wells in Oklahoma.

The observed seismicity of greatest concentration, namely in central and north-central Oklahoma, can be observed to follow the oil and gas plays characterized by large amounts of produced water. Seismicity rates are observed to increase after a time-delay as injection volumes increase within these plays. In central and north-central Oklahoma, this time-delay can be weeks to a year or more.

The OGS can document the following geological and geophysical characteristics related to the recent earthquake activity within Oklahoma.

- The seismicity rate in 2013 was 70 times greater than the background seismicity rate observed in Oklahoma prior to 2008. While unlikely, this rate could have been potentially explained by natural variations in earthquake rates from naturally occurring swarms. The seismicity rate is now about 600 times greater than the background seismicity rate, and is very unlikely the result of a natural process.
- The majority of earthquakes in central and north-central Oklahoma occur as earthquake swarms and not in the typical foreshock-mainshock-aftershock sequences that are characteristic of naturally occurring earthquake sequences throughout the world in a variety of tectonic settings. However, it is recognized that naturally occurring earthquake swarms do occur and have occurred within the region.



## Oklahoma Geological Survey

Richard D. Andrews  
Interim Director and State Geologist  
Dr. Austin Holland, State Seismologist

- These earthquakes swarms are occurring over a large area, about 15% of the area of Oklahoma, that has experienced significant increase in wastewater disposal volumes over the last several years.
- The earthquakes are primarily occurring on faults that are optimally and sub-optimally oriented within Oklahoma's tectonic stress regime.
- Both triggered and naturally occurring earthquakes release accumulated tectonic stress on these faults.
- Most of the earthquakes in Oklahoma are occurring within crystalline basement, deeper than most oil and gas operations. However, reactivation of deeper basement faults from water injection/disposal at shallower depths is often observed in cases of triggered seismicity.
- The majority of wastewater disposal is targeted for injection in the Arbuckle formations, which closely overlie the crystalline basement.
- As a result of high bulk permeability within sections of the Arbuckle, pressure from water injection/disposal may be transmitted several miles from an injection site.
- The high density of injection wells in central and north-central Oklahoma combined with the high permeabilities within the Arbuckle makes identifying relationships between specific wells and seismic activity difficult.

The OGS endeavors to accurately document seismicity within Oklahoma, and is increasing its capability to improve earthquake monitoring and data products. This includes the addition of staff, as well as updating and adding seismic equipment to improve seismic monitoring coverage throughout the state. In addition, the OGS is compiling a database of known fault locations within Oklahoma from published scientific literature and voluntarily fault data contributions from the Oklahoma Independent Petroleum Association (OIPA). The OGS also participates in projects with the United States Geological Survey (USGS) and other researchers worldwide in the ongoing investigation of Oklahoma seismicity.

The OGS also works closely with the Oklahoma Corporation Commission (OCC) to provide information on Oklahoma seismicity and research publications on triggered and induced seismicity. The OGS collaborates with the Interstate Oil and Gas Compact Commission and Ground Water Protection Council States First Initiative Workgroup on Induced Seismicity in multi-state efforts to better understand the problem and develop a regulatory framework.

The OGS continues to make its data and data products publicly available in a timely manner, and to contribute to research and the public discussion of earthquakes in Oklahoma. As communicated in the joint USGS/OGS statement dated May 2, 2014, the earthquake hazard in Oklahoma has increased due to the increased rate of seismicity. It is important for Oklahomans to learn what to do during a significant earthquake, and be prepared. The OGS and the Oklahoma Office Emergency Management provide such information on their respective websites.



## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Monday, May 11, 2015 1:52 PM  
**To:** Saied Naaseh  
**Subject:** RE: Question

Can you tell me what happened to the petroleum administrator? Are you expecting the commissioners to vote on the redline?

**From:** Saied Naaseh [<mailto:snaaseh@carson.ca.us>]  
**Sent:** Monday, May 11, 2015 11:45 AM  
**To:** Lori Noflin  
**Subject:** RE: Question

Oil code page has a redline copy. Are you asking for a version with no redline?

Thanks  
Saied Naaseh  
Planning Manager  
City of Carson  
Community Development Department  
701 E. Carson Street  
Carson, CA 90745  
Phone: (310) 952-1770  
FAX: (310) 835-5749

**From:** Lori Noflin [<mailto:lnoflin@att.net>]  
**Sent:** Saturday, May 09, 2015 9:12 AM  
**To:** Saied Naaseh  
**Subject:** Question

Where can I find a clean copy of the code the commissioners are being asked to consider?

Lori Noflin



## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Monday, May 11, 2015 1:58 PM  
**To:** Saied Naaseh  
**Subject:** RE: Question

Was the water flooding limitations moved to another section? I need to be able to search the document please send me a copy in word.

**From:** Saied Naaseh [<mailto:snaaseh@carson.ca.us>]  
**Sent:** Monday, May 11, 2015 11:45 AM  
**To:** Lori Noflin  
**Subject:** RE: Question

Oil code page has a redline copy. Are you asking for a version with no redline?

Thanks  
Saied Naaseh  
Planning Manager  
City of Carson  
Community Development Department  
701 E. Carson Street  
Carson, CA 90745  
Phone: (310) 952-1770  
FAX: (310) 835-5749

**From:** Lori Noflin [<mailto:lnoflin@att.net>]  
**Sent:** Saturday, May 09, 2015 9:12 AM  
**To:** Saied Naaseh  
**Subject:** Question

Where can I find a clean copy of the code the commissioners are being asked to consider?

Lori Noflin



## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Monday, May 11, 2015 2:35 PM  
**To:** Saied Naaseh  
**Subject:** RE: Question

I found the statement regarding the water. I just need the contact info for the new commissioners.

**From:** Saied Naaseh [mailto:snaaseh@carson.ca.us]  
**Sent:** Monday, May 11, 2015 2:27 PM  
**To:** Lori Noflin  
**Subject:** RE: Question

The version on the oil code webpage is clean and is with color:

[http://ci.carson.ca.us/content/files/pdfs/planning/oilcodeupdate/CityofCarsonOilCodeDraft\\_PlanningCommHearing05122015.pdf](http://ci.carson.ca.us/content/files/pdfs/planning/oilcodeupdate/CityofCarsonOilCodeDraft_PlanningCommHearing05122015.pdf)

Thanks  
Saied Naaseh  
Planning Manager  
City of Carson  
Community Development Department  
701 E. Carson Street  
Carson, CA 90745  
Phone: (310) 952-1770  
FAX: (310) 835-5749

**From:** Lori Noflin [mailto:lnoflin@att.net]  
**Sent:** Monday, May 11, 2015 2:07 PM  
**To:** Saied Naaseh  
**Subject:** RE: Question

I need time to be able to work on this, you have changed it in ways that are unacceptable and you and you are not providing an expectable copy for me to view.

Please send me the files requested.

**From:** Saied Naaseh [mailto:snaaseh@carson.ca.us]  
**Sent:** Monday, May 11, 2015 11:45 AM  
**To:** Lori Noflin  
**Subject:** RE: Question

Oil code page has a redline copy. Are you asking for a version with no redline?

Thanks  
Saied Naaseh



Planning Manager  
City of Carson  
Community Development Department  
701 E. Carson Street  
Carson, CA 90745  
Phone: (310) 952-1770  
FAX: (310) 835-5749

**From:** Lori Noflin [<mailto:lnoflin@att.net>]  
**Sent:** Saturday, May 09, 2015 9:12 AM  
**To:** Saied Naaseh  
**Subject:** Question

Where can I find a clean copy of the code the commissioners are being asked to consider?

Lori Noflin



**Saied Naaseh**

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Monday, May 11, 2015 2:33 PM  
**To:** Saied Naaseh  
**Subject:** RE: Question

I could not find it anywhere. But this copy is good. What happened to the limitation on water flooding 25,000 a day and 100,000 a week?

Can you send me contact information on the new commissioners?

**From:** Saied Naaseh [mailto:snaaseh@carson.ca.us]  
**Sent:** Monday, May 11, 2015 2:27 PM  
**To:** Lori Noflin  
**Subject:** RE: Question

The version on the oil code webpage is clean and is with color:

[http://ci.carson.ca.us/content/files/pdfs/planning/oilcodeupdate/CityofCarsonOilCodeDraft\\_PlanningCommHearing05122015.pdf](http://ci.carson.ca.us/content/files/pdfs/planning/oilcodeupdate/CityofCarsonOilCodeDraft_PlanningCommHearing05122015.pdf)

Thanks

Saied Naaseh  
Planning Manager  
City of Carson  
Community Development Department  
701 E. Carson Street  
Carson, CA 90745  
Phone: (310) 952-1770  
FAX: (310) 835-5749

**From:** Lori Noflin [mailto:lnoflin@att.net]  
**Sent:** Monday, May 11, 2015 2:07 PM  
**To:** Saied Naaseh  
**Subject:** RE: Question

I need time to be able to work on this, you have changed it in ways that are unacceptable and you and you are not providing an expectable copy for me to view.

Please send me the files requested.

**From:** Saied Naaseh [mailto:snaaseh@carson.ca.us]  
**Sent:** Monday, May 11, 2015 11:45 AM  
**To:** Lori Noflin  
**Subject:** RE: Question

Oil code page has a redline copy. Are you asking for a version with no redline?

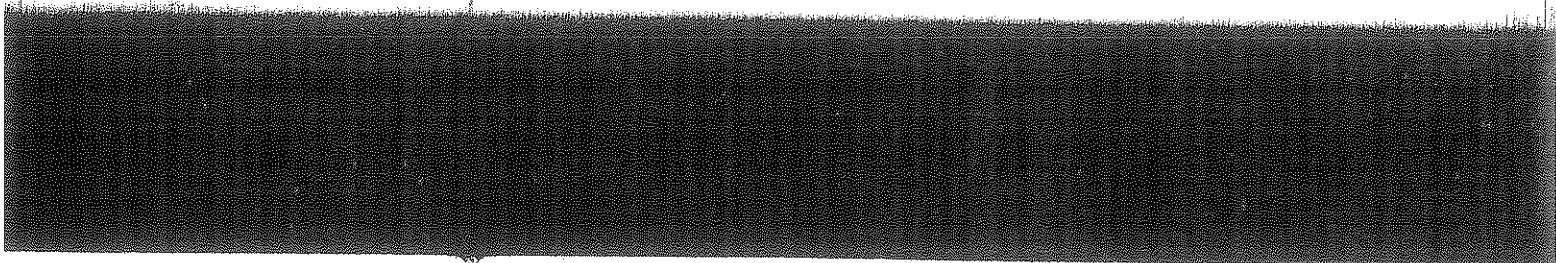


Thanks  
Saied Naaseh  
Planning Manager  
City of Carson  
Community Development Department  
701 E. Carson Street  
Carson, CA 90745  
Phone: (310) 952-1770  
FAX: (310) 835-5749

**From:** Lori Noflin [<mailto:lnoflin@att.net>]  
**Sent:** Saturday, May 09, 2015 9:12 AM  
**To:** Saied Naaseh  
**Subject:** Question

Where can I find a clean copy of the code the commissioners are being asked to consider?

Lori Noflin







# CITY OF CARSON

## PLANNING COMMISSION STAFF REPORT

PUBLIC HEARING: May 12, 2015 (Continued from April 14, 2015)  
SUBJECT: Text Amendment No. 20-15  
APPLICANT: City of Carson  
REQUEST: To consider adoption of an Ordinance prohibiting hydraulic fracturing ("fracking"), acidizing and any other form of well stimulation, and a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308  
PROPERTY INVOLVED: City-wide

### COMMISSION ACTION

*Cont'd June 9, 2015*

### COMMISSIONERS' VOTE

<u>AYE</u>	<u>NO</u>		<u>AYE</u>	<u>NO</u>	
<i>Absent</i>		Diaz	✓		Schaefer
✓		Faletogo	✓		Thomas
✓		Madrigal	✓		Gordon
		Mitoma	✓		Andrews
✓		Post			

EXHIBIT NO. 02

*Item No. 10B*

I. Introduction

This matter was considered by the Planning Commission on February 24, 2015 and April 14, 2015, refer to Exhibits 2 and 3. At the April 14, 2015 hearing, the Planning Commission again took public testimony and continued this matter to May 12, 2015. This Staff Report provides a status update regarding a meeting with stakeholders having an interest in oil and gas production, as well as additional refinements recommended by staff.

II. Background

Proposed Refinement to the Ordinance

On April 14, 2015, the Planning Commission provided no additional direction regarding Zone Text Amendment 20-15, which proposes an update to the Carson Municipal Code to prohibit hydraulic fracturing ("fracking"), acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city.

III. Analysis

Staff continues to recommend the addition of language to prevent a "taking" that would require the City to pay compensation. The Planning Commission did not request staff to make additional revisions to this Ordinance.

All proposed refinements have been highlighted in a revised Oil and Gas Code update that includes both proposed ordinances to facilitate review, refer to Exhibit 4.

Additional Outreach

As directed by the Planning Commission, staff held another meeting with several representatives of oil and gas interests on April 28, 2015. The meeting lasted in excess of five hours and involved discussion and feedback to staff regarding a wide variety of issues. No changes are recommended to the Ordinance. Additional letters and correspondence have been included in Exhibit 1. A second meeting has been scheduled with the oil and gas interests for May 12, 2015.

Staff have also received additional comments, studies and recommendations from a variety of sources, which have been included in the administrative record and are available on the City's website for review at <http://ci.carson.ca.us/departement/communitydevelopment/oilcodeupdate.asp>.

Conclusion

Approval of the Text Amendment will provide an update to the Carson Municipal Code to prohibit hydraulic fracturing, acidizing and any other form of well

stimulation as described in the Ordinance, and will also establish penalties for violations.

**IV. Environmental**

Staffs' recommendation of a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308 remains unchanged from the prior Staff Reports.

**V. Recommendation**

Staff have received requests to continue the matter oil and gas interests to allow additional time to review the latest draft. In addition, the Planning Commission has several new members that are not familiar with the proposed update. If the Planning Commission is inclined to continue this matter, staff and the consulting team are available for the regular meeting scheduled for June 9, 2015. Additionally, staff recommends the Planning Commission:

- Identify additional refinements or items, if any, it would like to include in its recommendation; and
- Direct staff to prepare an updated resolution and ordinance consistent with that direction and return for final approval by the Planning Commission at the regular meeting scheduled for June 9, 2015.

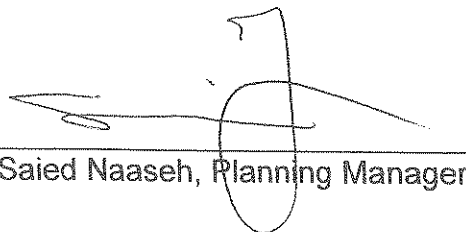
**VI. Exhibits**

1. Comment letters and correspondence received since April 14, 2015 Planning Commission meeting
2. February 24, 2015 Planning Commission Minutes
3. April 14, 2015 Planning Commission Minutes
4. City of Carson Oil and Gas Update (with tracked changes) dated May 5, 2015 (refer to TA19-15)

Note: Additional studies, reports, comment letters and other written materials can be found at:

<http://ci.carson.ca.us/departement/communitydevelopment/oilcodeupdate.asp>.

Prepared, Reviewed and Approved by:

  
Saied Naaseh, Planning Manager

## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Thursday, April 30, 2015 7:47 AM  
**To:** Saied Naaseh; 'Sunny Soltani'; Lula Davis Holmes; Louiediaz@local848.net; 'Alexandra Nagy'; albert@albertrobes.com; Elito Santarina's Yahoo; 'Janice Schaefer'; 'Olivia Verrett'; ppls100@aol.com; William Wynder; josephlpinon@gmail.com; jjoseph162@gmail.com; Louiediaz@local848.net; hc45loa@yahoo.com; amadorsaenz@aol.com  
**Subject:** Newport Inglewood Fault

I guess God decided to show you where the Newport/Inglewood fault is. It is under our homes. Stop the assault on the City of Carson. This is the second earthquake caused by the Oxy Project!!!

You have all the evidence you need to stop the destruction of Carson or you will be responsible for the damage your actions cause.

Sincerely,

Lori Noflin  
Carson Connected  
310 885-5860

Exhibit No. 1



## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Thursday, April 30, 2015 8:15 AM  
**To:** Saied Naaseh  
**Subject:** Question

Are the Oxy wells using any kind of stimulation?

## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Thursday, April 30, 2015 9:39 AM  
**To:** Saied Naaseh  
**Subject:** Question

The residents spoke against drilling when you were pushing the fraudulent Oxy DEIR, are those comments and statements being considered for the Oil & Gas Code?



## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Thursday, April 30, 2015 1:10 PM  
**To:** Saied Naaseh  
**Subject:** Question

What type of well stimulation are they using at the Oxy project? How much water are they flooding our ground with each day?

Would like an answer before you leave for the weekend.

Lori



## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Tuesday, April 28, 2015 6:06 PM  
**To:** Saied Naaseh  
**Subject:** Oil & Gas Code Comments and Evidence

I would like the evidence of destruction included in with the documentation you are compiling for the Oil & Gas Code. I have not seen any of my emails or letters included, which I was expecting to see happen. Your not including them does not mean you have not been fore warned. **If the city passes an ordinance that allows new oil drilling and/or well stimulation the residents will file a class action suit against any and all persons who have participated in the unethical and illegal actions.**

The residents do not want drilling back in full force in our city!!!

The biggest thing I am aware of that was meant to deceive the residents of Carson is you submitted a fraudulent DEIR which moved the Newport/Inglewood fault out of Carson. This is detrimental to the people and their property. Another lie that needs to be corrected and publicly announced at the planning commission meeting is, **we do have a right to determine oil drilling is not safe for our populated areas and create an ordinance that will protect the people.** There are many more lies told by city staff and we have documented everyone we were made aware of.

The Draft Oil and Gas Code presented will allow oil and gas drilling, the injection of water into the ground beneath our homes and other well stimulation. Much of the city of Carson has a propensity to liquefy, former city manager David Biggs is dealing with the destruction caused by an earthquake in a city that has a propensity to liquefy give him a call. Hercules, CA, City Manager Phone 510 799-8200, Email [dbiggs@hercules.ca.us](mailto:dbiggs@hercules.ca.us). We want no new drilling and no stimulation on existing wells.

Each well is given the right to utilize up to 25,000 gallons of water in a 24 hour period, or 100,000 gallons per week. It has been proven the injection of water causes earthquakes, much like well stimulation along a fault.

**A Petroleum Administrator (one person) decides well stimulation is necessary to recover the owner/operators reasonable investment backed expectation.** What about the expectation of our property value? There should be not new drilling and for existing wells a petroleum administrator needs to make recommendations to the Planning Commission and the Commission make recommendations to the City Council. This is too important of an issue to allow one person to make the decisions.

This ordinance is riddled with exceptions, loopholes and is allowing dangerous activities to go on under our homes. The residents do not want drilling under our homes!!!

We have over 800 petition signatures on our No New Drilling petition and we will continue to fight for those people and all of Carson.

Below are links to articles that need to be included into your report to the planning commission.

Link to article <http://www.nbcbayarea.com/news/local/60-Preliminary-Magnitude-Earthquake-Strikes-Near-Napa-272467621.html>





Link to Showtime's Years of Living Dangerously hosted by America Ferrera Episode 6 Winds of Change homepage. In this episode, it is proven oil and gas drilling leaks high levels of methane.

California faces serious risk of Nepal-strength earthquake

U.S. Maps Pinpoint Earthquakes Linked to Quest for Oil and Gas

The United States Geological Survey on Thursday released its first comprehensive assessment of the link between thousands of earthquakes and oil and gas operations, identifying and mapping 17 regions where quakes have occurred.

Oil, gas drilling triggers earthquakes in over a dozen areas in the US

Man-made earthquakes increasing in central and eastern U.S., study finds

Gas Drilling May Be Leaking Twice as Much Gas as Previously Thought, Study Finds

Sincerely,

Lori Noflin  
Carson Connected  
310 885-5860

## Saied Naaseh

---

**From:** Lori Noflin <lnoflin@att.net>  
**Sent:** Thursday, April 23, 2015 11:38 AM  
**To:** Lula Davis Holmes; albert@albertrobes.com; Elito Santarina's Yahoo; 'Sunny Soltani'; William Wynder; Saied Naaseh; 'Olivia Verrett'; josephpinon@gmail.com; jjoseph162@gmail.com; ppls100@aol.com; Louiediaz@local848.net; hc45loa@yahoo.com; amadorsaenz@aol.com; 'Janice Schaefer'  
**Subject:** Earthquakes

Drilling does not belong in Carson!!! Please take a look at the LA Times and/or Daily Breeze articles. Do you want to be responsible for inviting this kind of destruction into Carson? It is your responsibility to protect Carson and it's residents. Our true purpose and history is to stop bad projects that would contaminate our communities that fact alone would carry a tremendous amount against any law suit filed against the City of Carson.

<http://www.latimes.com/visuals/graphics/la-me-quake-frack-20150423-htlmstory.html>

<http://www.dailybreeze.com/general-news/20150423/oil-gas-drilling-triggers-earthquakes-in-over-a-dozen-areas-in-the-us>

Sincerely,

Lori Noflin  
310 885-5860



# Man-made earthquakes increasing in central and eastern U.S., study finds

By RONG-GONG LIN II, JON SCHLEUSS AND THOMAS SUH LAUDER

APR 24 2015 6:00 AM

SUBSCRIBE | LOG IN

For the first time, the U.S. Geological Survey has unveiled a map of earthquakes thought to be triggered by human activity in the eastern and central United States.

Oklahoma is by far the worst-hit state recently, according to the USGS study released Thursday. The state last year had more earthquakes magnitude 3 or higher than California, part of a huge increase recorded in recent years.

Seismic activity in Texas near the Dallas-Fort Worth area has also increased substantially recently. Kansas, Colorado, New Mexico and Ohio have all experienced more frequent quakes in the last year >

ENTERTAINMENT WEEKLY: California earthquakes

All of the areas highlighted on the map "are located near deep fluid injection wells or other industrial activities capable of inducing earthquakes," the study said.

Mark Petersen, chief of the USGS' National Seismic Hazard Project, said the pattern of increased quakes is troubling.

These earthquakes are occurring at a higher rate than ever before, and pose a much greater risk and threat to people living nearby," Petersen said.

The release of the map comes as officials are coming to terms with the idea that wastewater disposal following oil and gas extraction is causing more earthquakes. Hydraulic fracturing, or fracking, involves shooting a high-pressure mix of water, sand and chemicals deep underground to extract oil and natural gas. The resulting wastewater is often forced underground as well, but can trigger earthquakes on faults that haven't moved in a very long time.

PHOTOS & VIDEO >

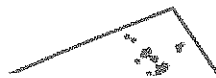
Earthquakes: 1960-2012 2013 2014

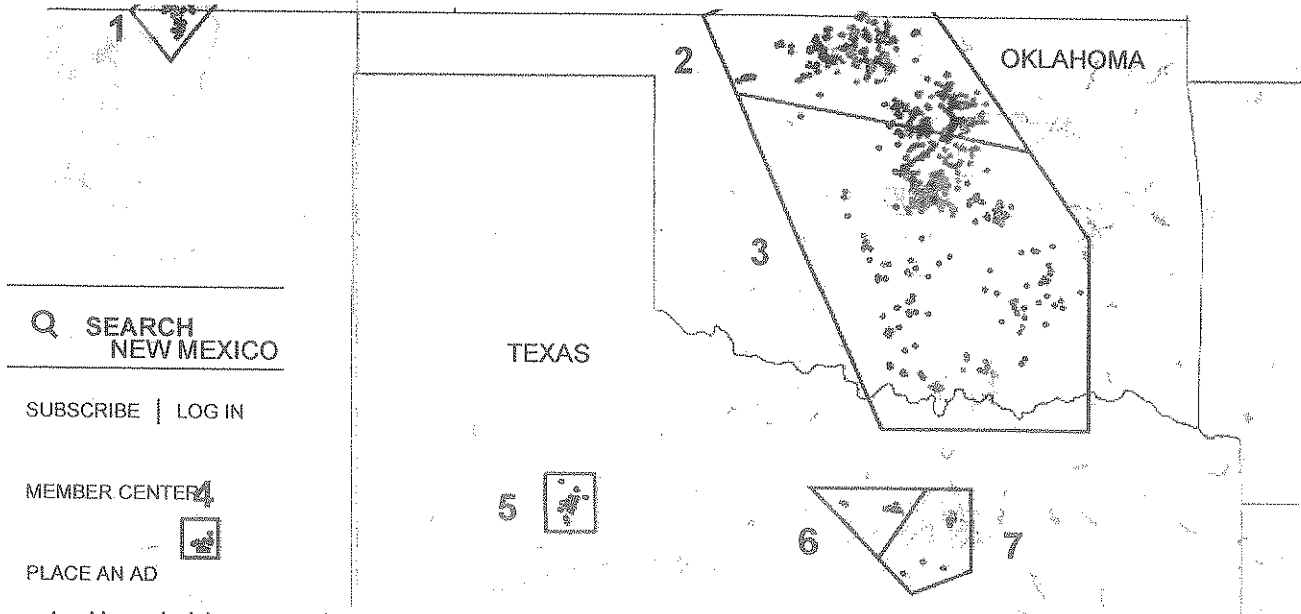
GREAT READS



COLORADO

KANSAS





SEARCH NEW MEXICO

SUBSCRIBE | LOG IN

MEMBER CENTER

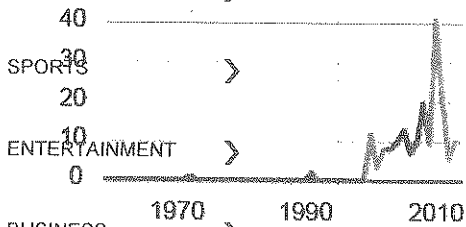
PLACE AN AD

An older methodology was used to count earthquakes from 1960-2012.

LOCAL >

1 New Mexico, Raton

CALIFORNIA >

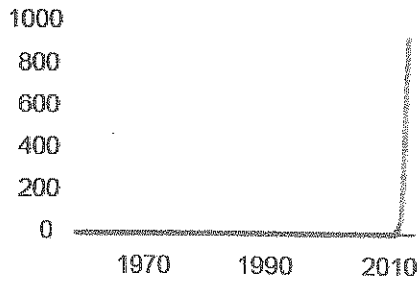


SPORTS >

ENTERTAINMENT >

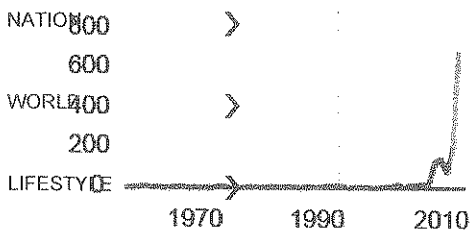
BUSINESS >

2 Oklahoma-North; Kansas-South



3 Oklahoma-South

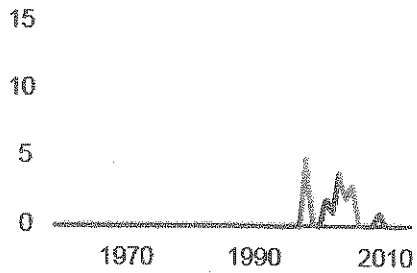
NATION >



WORLD >

LIFESTYLE >

4 New Mexico, Dagger Draw



TRAVEL >

AUTOS >

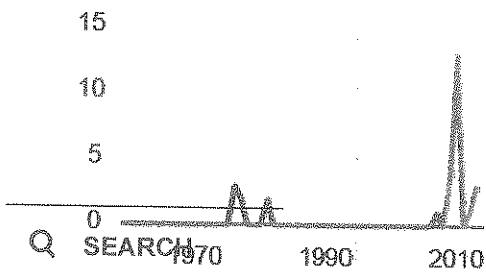
REAL ESTATE >

PHOTOS & VIDEO >

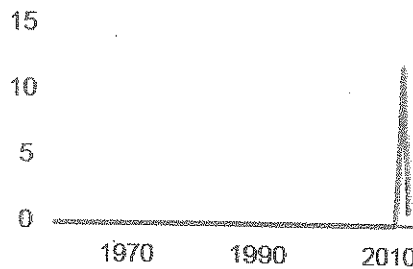
GREAT READS



5 Texas, Cogdell



6 Texas, Azle



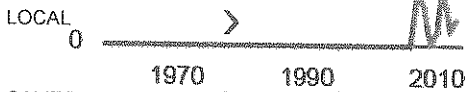
SUBSCRIBE | LOG IN

7 Texas, Dallas-Fort Worth

MEMBER CENTER

PLACE AN AD

LOCAL



CALIFORNIA

The Oklahoma Geological Survey said Tuesday that the sharp rise in quakes in that state is "very unlikely to represent a naturally occurring process," since they are occurring over the same area that saw a huge jump in wastewater disposal in the last several years.

The seismicity rate in 2013 was 70 times greater than the background seismicity rate observed in Oklahoma prior to 2008, state officials said.

Human-induced earthquakes have troubled scientists because they pose a risk to public safety and because they have become larger. A magnitude 5.6 earthquake believed to have been caused by wastewater injection hit near Prague, Okla., in 2011, injuring two people and destroying 14 homes. That same year, a 5.3 earthquake struck a remote part of Colorado, near the town of Trinidad close to the New Mexico border, which the USGS said was also triggered by wastewater injection.

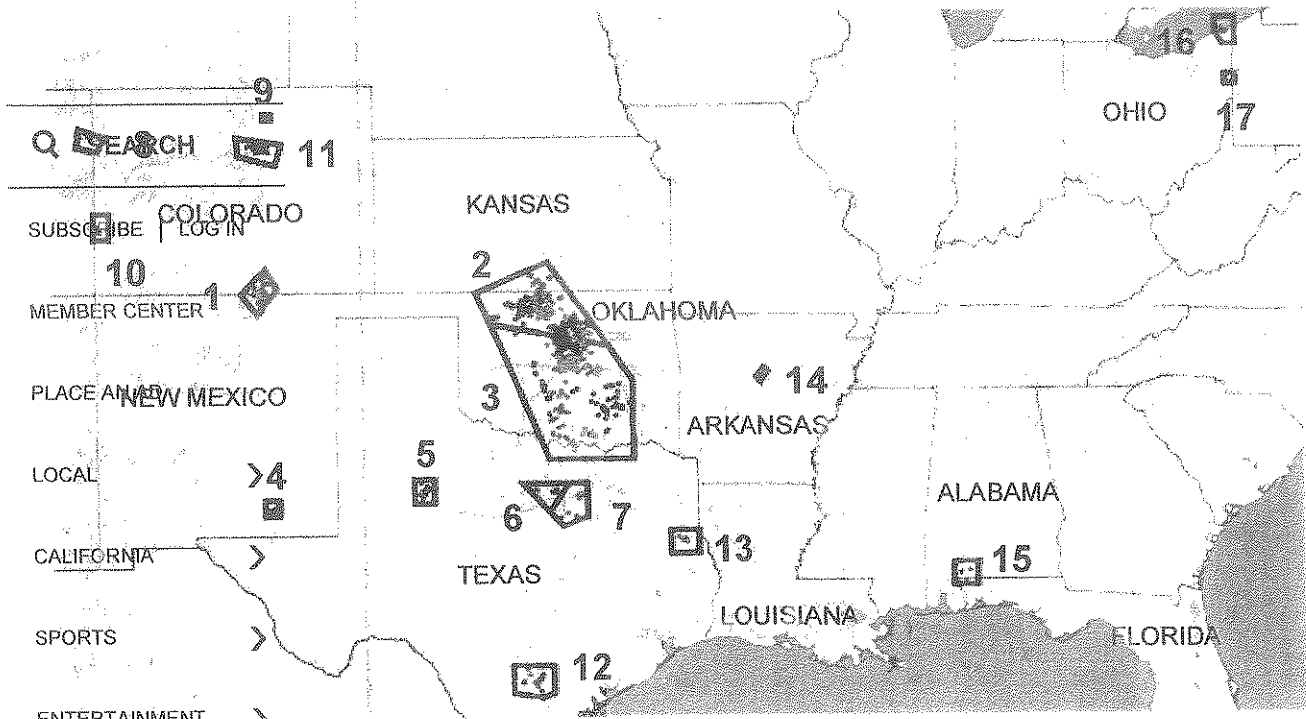
History suggests that even larger earthquakes could be in store.

"We know, for example, in Oklahoma that there was an earthquake of about magnitude 7 about 3,500 years ago," said USGS geophysicist William Ellsworth. "We have to be guided with what we have seen in the past."

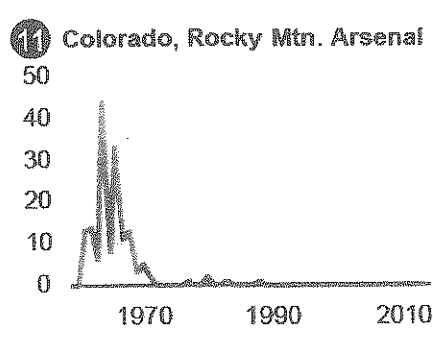
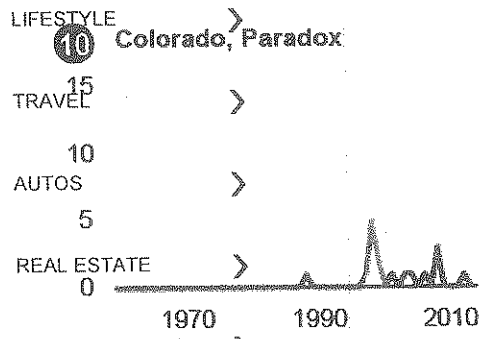
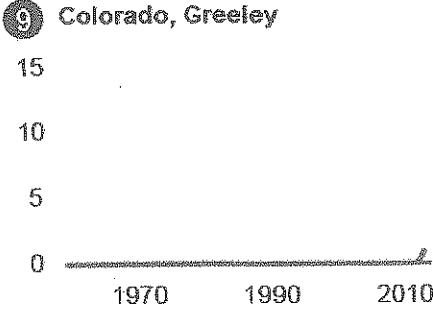
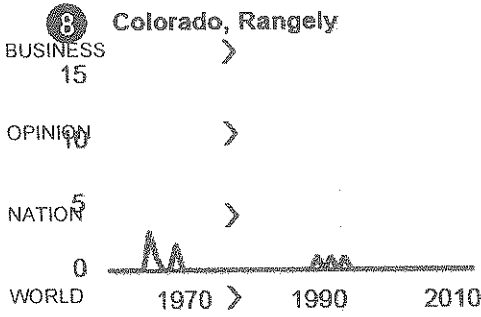
The idea that injecting water deep into the ground can trigger earthquakes has been talked about for decades.

In the 1960s, many scientists concluded that injection of chemical-waste fluid in the Denver Basin triggered seismic activity, according to a study at the time in the journal Science.

Earthquakes: 1960-2012 2013 2014



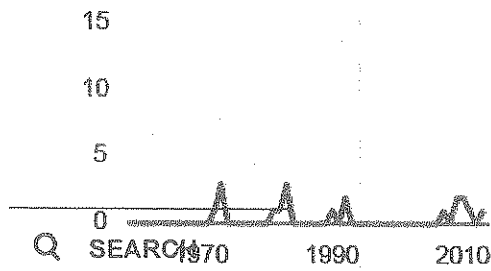
- Q SEARCH 11
- SUBSCRIBE LOG IN
- MEMBER CENTER 10
- PLACE AN AD
- LOCAL > 4
- CALIFORNIA >
- SPORTS >
- ENTERTAINMENT >
- BUSINESS > 15
- OPINION > 10
- NATION > 5
- WORLD > 0
- LIFESTYLE >
- TRAVEL > 15
- AUTOS > 10
- REAL ESTATE > 5
- PHOTOS & VIDEO >



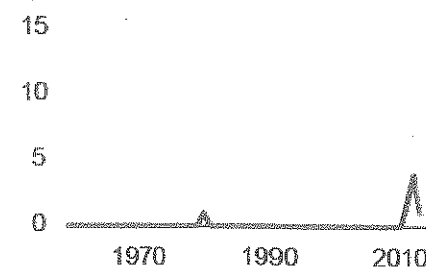
GREAT READS



12 Texas, Fashing

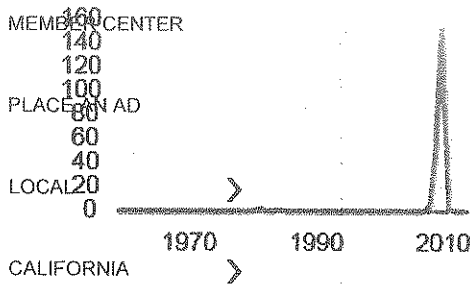


13 Texas, Timpson

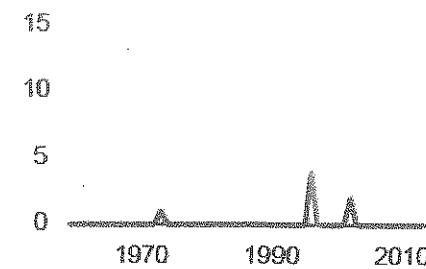


SUBSCRIBE | LOG IN

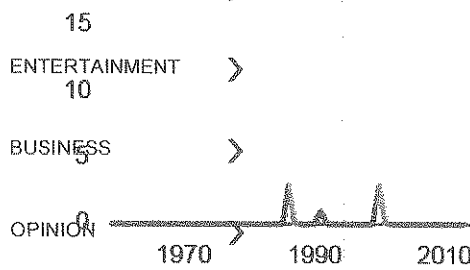
14 Arkansas, Guy-Greenbrier



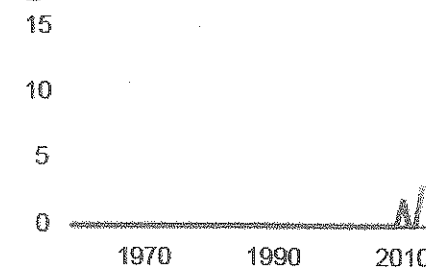
15 Alabama, Brewton



16 Ohio, Ashtabula



17 Ohio, Youngstown



Before 1976, earthquakes were rare in the desert town of Gazli in the former Soviet republic of Uzbekistan. Like Oklahoma, this Soviet region was far away from the boundaries of the giant tectonic plates whose crashes create the huge quakes well known in places such as California.

Then two big earthquakes hit the Gazli area that year, and a magnitude 7 quake struck in 1984, killing one person and injuring more than 100. Scientists writing in the Bulletin of the Seismological Society of America at the time suggested that the quake could have been induced by human activity at the gas field.

Now that the USGS maps have been released, one big question is what to do about the man-made quakes.

USGS geophysicists Art McGarr and Andy Michael called for better monitoring of regions with increased seismic activity. Some areas rely on relatively crude seismic sensors that can't



precisely identify the location of quakes that are smaller than a magnitude 3. But that knowledge could help scientists identify areas where seismic pressure is building up.

It would also aid them in determining the size of unmapped faults in these areas.

“It’s a bit frustrating when we don’t have really good earthquake locations,” Michael said.

Q And better data could help scientists manage the quake risk. Not all wastewater injection causes earthquakes, Ellsworth said, and regulators in some areas may opt to restrict wastewater injection in places where the risk is high.

SPECIAL REPORT: California earthquake safety

Officials in Kansas have already ordered a reduction in wastewater injections in certain areas, and authorities are observing whether it will be followed by a reduction in quakes.

LOCAL > “We think society can manage the hazard,” Ellsworth said. “We don’t have to stop production of oil and gas, but we think we can do so in a way that will minimize the earthquake hazard.”

SPORTS > For instance, the risk could be reduced by placing new wastewater injection sites further away from cities or critical facilities where large earthquakes are a big worry, Ellsworth and McGarr wrote in an essay published in the journal Science in February.

BUSINESS > The general public is the most important stakeholder because they may be exposed to potential injury and damage,” the pair and their colleagues wrote. “If an induced earthquake sequence results in damage, then blame can be assigned with legal implications for liability.

OPINION > The question of whether an earthquake sequence was induced or natural is of more than academic interest.”

NATION > WORLD > Follow me on Twitter: @ronlin

LIFESTYLE > ALSO:

TRAVEL > The Big One could trigger series of large earthquakes, study finds

AUTOS > Earthquake fault heightens California tsunami threat, experts say

REAL ESTATE > Nearly half of Americans threatened by earthquakes, study finds

PHOTOS & VIDEO >

Copyright © 2015, Los Angeles Times

GREAT READS





- [Religion](#)
- [Travel](#)
- [Worship Directory](#)
- [Obituaries](#)
  - [Obituaries](#)
  - [Place an Obituary](#)
- [Opinion](#)
  - [Columns](#)
  - [Editorials](#)
  - [Letters](#)
  - [Editorial Board](#)
  - [Endorsements](#)
- [Special Reports](#)
  - [Getting Away with Murder](#)
  - [Centinela Valley Investigation](#)
  - [Louis Zamperini](#)
  - [Toy Design](#)
  - [California Drought](#)
  - [DWP](#)
  - [All-Area Teams](#)
  - [Special Sections](#)
  - [Readers Choice](#)
- [Marketplace](#)
  - [Autos](#)
  - [Classified](#)
  - [Directory](#)
  - [Homes](#)
  - [Jobs](#)
  - [Local Ads](#)
  - [Place An Ad](#)
  - [Top Workplaces](#)
  - [Weekly Ads](#)
- [Services](#) ...
  - [Subscriber Services](#)
  - [Subscribe Print](#)
  - [e-Edition Tumblr](#)
  - [About Us LinkedIn](#)
  - [Contact Us StumbleUpon](#)
  - [Share Your News](#)
  - [Work for Us](#)
  - [Mobile Apps](#)
  - [Email Newsletter Sign up](#)
  - [Submit Ad](#)
- [Home](#) â†
- [News](#) â†
- [Earthquakes](#)

## Oil, gas drilling triggers earthquakes in over a dozen areas in the US

By Alicia Chang, The Associated Press

Posted: 04/23/15, 6:40 AM PDT |

[1 Comment](#)

LOS ANGELES >> More than a dozen areas in the United States have been shaken in recent years by small earthquakes triggered by oil and gas drilling, a government report released Thursday found.

The man-made quakes jolted once stable regions in eight states, including parts of Alabama, Arkansas, Colorado, Kansas, New Mexico, Ohio, Oklahoma and Texas, according to researchers at the U.S. Geological Survey.

Experts said the spike in seismic activity is mainly caused by the oil and gas industry injecting wastewater deep underground, which can activate dormant faults. A few instances stem from hydraulic fracturing, in which large volumes of water, sand and chemicals are pumped into rock formations to free oil or gas.

Many studies have linked the rise in small quakes to the injection of wastewater into disposal wells, but the Geological Survey's report takes the first comprehensive look at where the man-made quakes are occurring.

"The hazard is high in these areas," said Mark Petersen, who leads the agency's national mapping project.

Oklahoma lately has been rocked by more magnitude-3 quakes than California, the most seismically active of the Lower 48 states, Petersen said.

Oklahoma was not on scientists' radar until recently when the state experienced a spate of quakes, the largest registering a magnitude-5.6 in 2011. Earlier this week, the Oklahoma Geological Survey acknowledged that it is very likely most of the recent shaking is from wastewater disposal.

Many faults awakened by drilling have not moved in millions of years, Geological Survey geophysicist William Ellsworth said.

"They're ancient faults," Ellsworth said. "We don't always know where they are."

A message to the American Petroleum Institute was not immediately returned. The industry group has said efforts are made to map fault lines where drilling occurs.

A group of experts met last year in Oklahoma to pinpoint seismic hotspots around the country caused by induced quakes. Scientists initially identified 14 regions affected by quakes linked to drilling. They later added three other high-risk areas — northern Oklahoma-southern Kansas; Greeley, Colorado; and Azle, Texas.

The findings were released at a Seismological Society of America meeting in Pasadena, California.

Seismic hazard maps produced by the Geological Survey and used for building codes and insurance purposes don't include quakes caused by the oil and gas industry. Scientists said it's difficult to know what jobs will trigger shaking.

Researchers study man-made quakes in the affected areas to determine how often they are expected to occur in the next year and how much shaking they would produce.

- [Twitter](#)
- [Reddit](#)
- [Pinterest](#)
- [1 Comment](#)
- ...

- [Email](#)
- [Print](#)

Advertisement

FROM AROUND THE WEB

selected for you by a sponsor



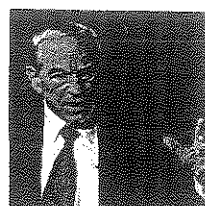
Top 20 Highest-Paid Athletes in the World  
*Forbes*



You won't guess who is leading the fight against hunger  
*Walmart*



Forget Googling them, this site reveals all. Simply enter a name and  
*Instant Checkmate*



Dr. Ron Paul Issues Major Warning For U.S. Seniors  
*The Cruz*

MORE FROM THE WEB

- Thinking Of Putting In Solar Panels? Read This *Home Solar Advice*
- Car Insurance Companies Hate This New Trick *Finance Digest*
- The Middle Class Stimulus Package That Expires This Year *LendingTree.com*
- Cold-Weather Hotties: 10 Incredibly Sexy Weather Women *TVGuide.com*
- A Very Smart Trick to Pay Off Your Mortgage *AmeriVALUE*
- Here's What Happens to Your Packages When You Drop Them Off [Video] *UPS Compass*

YOU MIGHT ALSO LIKE

- Palos Verdes Reservoir to be refilled by 2017
- Dodgers fail to support Kershaw in 2-1 loss to San Francisco Giants
- Nepal quake: More than 1,500 dead, Everest shaken
- San Pedro Library gets a techy makeover
- Sherman Oaks woman wants to be Joni Mitchell's conservator, says singer is unconscious
- Kim Kardashian says she and family support Bruce Jenner's gender transition

Recommended by

Top Stories



Saied Naaseh

---

**From:** Jan <jjschaef@ca.rr.com>  
**Sent:** Tuesday, April 21, 2015 12:44 PM  
**To:** Saied Naaseh  
**Subject:** RE: Oil Code 4-14-15 PC PowerPoint Presentation

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Hi,  
I have a couple of questions / concerns.  
I would like more information regarding the existing drilling operations / operators.

How many are there?

Do they have permits from Carson? Cost?

Do they have business license for Carson? Cost?

Have there been any violations? If so, what are the violations?

What techniques to they use? Such as acidation?

Who/what agency does the inspections? Carson? SCAQMD? DOGGR?

I am concerned about the proposed code requiring a CUP or DA that would not "grandfather" in the existing wells, if there have been no violations.

If we adopt an oil and gas code are we (Carson) responsible for all the inspections or would we rely on the state and regional agencies? Or is it both? If it is both, why?

It would be helpful to have a "side by side" fact sheet of some sort that would compare the requirements and restrictions under State law to what is in the proposed code.

Is that possible?

Or, at least, what is in the proposed code that is not already covered by State Law?

I am concerned that we will be duplicating efforts and/or arbitrarily adding conditions (as alluded to by industry representative) that do not necessarily protect the environment, improve safety, etc.

For instance, 9532.K. requiring "submersible downhole pumping mechanisms". Is this for protection or esthetics?

Thank you,  
Jan

**From:** Saied Naaseh [mailto:snaaseh@carson.ca.us]  
**Sent:** Wednesday, April 15, 2015 4:11 PM  
**To:** [amadorsaenz@aol.com](mailto:amadorsaenz@aol.com); [hc45loa@yahoo.com](mailto:hc45loa@yahoo.com); [j.joseph162@gmail.com](mailto:j.joseph162@gmail.com); [jjschaef@ca.rr.com](mailto:jjschaef@ca.rr.com); Joseph Piñon; [Louiediaz@local848.net](mailto:Louiediaz@local848.net); [oliviaverrett@sbcglobal.net](mailto:oliviaverrett@sbcglobal.net); [ppls100@aol.com](mailto:ppls100@aol.com)  
**Cc:** Denise Bothe  
**Subject:** Oil Code 4-14-15 PC PowerPoint Presentation

Dear Commissioners  
Per you request, attached is the PowerPoint.

Please note that the May 12<sup>th</sup> PC meeting will have the oil code as well as the following project. This project is an affordable housing project that has strict deadlines for funding cycles; therefore, it has to be considered on the 12th.  
[http://ci.carson.ca.us/departament/communitydevelopment/sepulveda\\_mixeduse.asp](http://ci.carson.ca.us/departament/communitydevelopment/sepulveda_mixeduse.asp)



Please let me know if you have any questions.

Thanks

Saied Naaseh

Planning Manager

City of Carson

Community Development Department

701 E. Carson Street

Carson, CA 90745

Phone: (310) 952-1770

FAX: (310) 835-5749



## Saied Naaseh

---

**From:** Joseph L. Piñon <josephpinon@gmail.com>  
**Sent:** Sunday, April 26, 2015 11:08 PM  
**To:** Saied Naaseh  
**Subject:** Oil Code questions and comments

Hello Saied,

Here are a few after questions and comments I have after going through the latest draft again:

1. Under 9531.1 subsection B it says “current monitoring results and data” will be provided to the public. How current is “current” approximately? Is there an industry standard of what current is?
2. Given our discussion in closed session about what we as a city can and can not regulate are we going to see water quantity limits in the next draft? With water limits we can prevent less desirable oil extraction method(s) previously discussed, rather than putting an outright ban that would not be legally defensible.
3. Under 9536.1 subsection A the operator can pay a fine of “\$100,000 or more” at the discretion of the Petroleum Administrator (PA). Is there a cap on the amount the PA can fine operators? Do you know if any other operators have paid this amount or more in a single fine recently in the U.S.? In the state of California at any time?
4. I am happy with the setbacks. If staff decides to reduce the setbacks in the next draft I hope they are not reduced by more than a 1/3.



LATHAM & WATKINS LLP

April 17, 2015

BY EMAIL

Honorable Chair Faletogo and  
Honorable Planning Commissioners  
City of Carson Planning Commission  
701 East Carson Street  
Carson, California 90745

355 South Grand Avenue  
Los Angeles, California 90071-1560  
Tel: +1.213.485.1234 Fax: +1.213.891.8763  
www.lw.com

FIRM / AFFILIATE OFFICES

Abu Dhabi	Milan
Barcelona	Moscow
Beijing	Munich
Boston	New Jersey
Brussels	New York
Century City	Orange County
Chicago	Paris
Doha	Riyadh
Dubai	Rome
Düsseldorf	San Diego
Frankfurt	San Francisco
Hamburg	Shanghai
Hong Kong	Silicon Valley
Houston	Singapore
London	Tokyo
Los Angeles	Washington, D.C.
Madrid	

Re: Proposed Oil Code Update


Dear Honorable Chair Faletogo and Honorable Planning Commissioners:

On behalf of Californians for Energy Independence, we want to thank you for your very thoughtful discussion regarding the draft Oil Code Update at this past Tuesday's Planning Commission hearing.

We are in full agreement that the draft is not ready to move forward to the City Council. We also strongly agree with Commissioner Schaeffer's and others' statements about the draft update being too complicated and onerous for Carson. The City Council gave the following basic direction to staff in May 2014: "[H]ire all necessary experts and immediately commence a complete and comprehensive review and update [of] our Municipal Code regarding oil and gas extraction." (Carson City Council Minutes, May 20, 2014.)

The draft update goes well beyond what the City Council directed. A simpler and much more streamlined approach, as suggested by the Commission, is needed. As the Commission recognized, there is already substantial regulatory oversight of the oil and gas industry. Let's not, as Commissioner Schaeffer suggested, impose additional rules for driving a car in Carson. The draft ordinance, unfortunately, does just that—it requires new tests and creates new rules to "drive" in Carson.

We look forward to continuing to work with staff on identifying the key components of the ordinance and refining them for Carson's needs and to be consistent with what the City Council directed staff to do. We respectfully request that you direct staff to work with the Commission and all stakeholders to do so.

Very truly yours,  
  
Benjamin J. Hanelin  
of LATHAM & WATKINS LLP

Associate Planner Rojas stated that the existing landscaping will be refreshed/cleaned and explained that because this is a temporary use, staff wrestled with balancing the need for upgrades at this site.

Planning Manager Naaseh explained that because no change is being proposed for the use of this site, staff determined after much consideration that refreshing the landscaping and cleaning it up for this temporary use is a good compromise.

Diane Thomas, resident, stated that there are too many trucks in this area.

Chairman Faletogo closed the public hearing.

Associate Planner Rojas noted that Traffic Engineer Garland pointed out that 223<sup>rd</sup> Street is a designated truck route; that this use is no different from what is currently approved for this site; and that the proposed use is not intensive enough to trigger a traffic analysis or EIR.

Planning Commission Decision:

Commissioner Goolsby moved, seconded by Commissioner Schaefer, to approve the applicant's request, thus adopting Resolution No. 15-2537. The motion carried, 7-2, as follows:

- AYES: Faletogo, Goolsby, Gordon, Piñon, Saenz, Schaefer, Verrett
- NOES: Brimmer, Diaz
- ABSTAIN: None
- ABSENT: None

**12. PUBLIC HEARING**

**B) Zone Text Amendment No. 19-15**

Applicant's Request:

The applicant, city of Carson, is requesting to consider Text Amendment No. 19-15, to Adopt a Comprehensive Update of the City's Oil and Gas Ordinance Regulating Petroleum Operations and Facilities, and a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308 for properties citywide.

Staff Report and Recommendation:

Commissioner Verrett noted her concern with receiving a large volume of letters at this evening's meeting, noting there has not been enough time to review the paperwork.

City Attorney Soltani stated that staff has no control over what communications come in from the public, noting that it is staff's duty to forward the communications on to the Commissioners; stated she will attempt to address the concerns in the letters that were submitted; and noted that the Commission always has the option to continue its meetings to a future date. She clarified that Zone Text Amendment Nos. 19-15 and 20-15 will be included as part of the same discussion tonight.

Luis Perez, project manager with MRS, commented on the company's experience in providing environmental documents for oil and gas projects for over 30 years; stated that within the company, there are 150 years of combined oil and gas experience; and highlighted various projects they have done in multiple cities and counties. He advised that they created a Frequently Asked Questions flyer for this evening's meeting, noting it incorporates questions put forth at the community meetings. He noted that Carson's

current oil and gas code is antiquated and that it allows for permitting of oil and gas facilities by right; and he described the general approach taken to develop this update.

With the aid of a power point presentation, Mr. Perez addressed various components of the proposed oil and gas code update, providing brief input on the administrative procedures and development standards; advised that within the development standards, there's a separate code that would be adopted to ban fracking altogether; and noted that the development standards will address when facilities need to be decommissioned, abandoned, restored, and/or remediated. He highlighted the portion of the ordinance that bans fracking, acidizing and other well stimulation; noted that the administrative procedures essentially provide direction as to how one would permit a project if they were to come to the planning counter; stated it contains a robust/complete set of standards for an applicant; advised that the document addresses financial obligations, provides information on violations/fines for development of oil and gas facilities, requirements for conditional use permits for all drilling projects; development agreement requirements for multiple wells; and noted that in addition to the discretionary permits, there will also be a requirement for a drilling permit that allows a petroleum administrator who will oversee compliance.

Mr. Perez addressed some of the highlights for the administrative procedures; stated that a petroleum administrator will be designated by the City Manager to oversee all the drilling matters; and advised that the petroleum administrator will be funded by the oil company that happens to be applying for a permit, sharing the pro rata share of that cost.

Planning Commissioner Brimmer requested, and received, clarification on the moratorium and the various community meetings in 2014 regarding the oil and gas update.

City Attorney Soltani explained that the issues raised by the community at those meetings have all been analyzed in connection with updating the code; stated that the issues have not changed; that the community spoke at those meetings about the same environmental concerns; and that the code has been drafted to address those environmental issues.

Planning Commissioner Brimmer asked if the comments from the most recent community meeting on February 18, 2015, are included in the draft update.

Planning Manager Naaseh explained that staff report was written prior to and released on February 17<sup>th</sup>, so the comments are not incorporated into the draft that was released to the Planning Commission; however, he pointed out that the ordinance which is currently posted on the City's website has clarifications that were included from the last community meeting on February 18<sup>th</sup>.

Mr. Perez stated that while there were a lot of comments made at the February 18<sup>th</sup> community meeting, there were no comments from that meeting that required any changes to the code update; and advised that with the additional written materials distributed to the Commission this evening, they do include some comments in writing from members of the public that MRS is looking into and considering, but pointed out that some of them are grammatical and/or language clarifications and not substantial and that any change made/incorporated will not change the overall requirements proposed.



City Attorney Soltani pointed out that MRS will go over those changes this evening; and reminded the Commission they can continue this matter to a future meeting.

Mr. Perez continued addressing various restrictions and requirements within different zoned districts; advised that there will be no permits given for oil and gas facilities located within residentially zoned districts; commented on requirements for change of company ownership, high-risk operators, noticing requirements, requirement for monetary compensation for code violations, compliance monitoring component, provisions for periodic review, financial assurance and operator responsibility, securities and bonds for wells – highlighting the requirement of \$50,000 minimum per well, which can be adjusted; operator liability insurance, which includes injury and property damage for \$25 million and \$25 million for environmental impact; violations and fines, violations with fines starting at \$5,000 to \$10,000 per day, every day the violation occurs; and mitigation measures related to pipelines, wells, drilling facilities, storage facilities and setback requirements.

City Attorney Soltani clarified that this code will not allow any drilling in residentially zoned areas.

Mr. Perez addressed the 1,500-foot setback for no drilling to occur within that setback, noise impact restrictions, construction time limits, landscape and signage requirements, steaming, reclaimed versus potable water usage, environmental program for water quality control, ground water, greenhouse gas emissions, energy efficiency measures, emergency standards for blowout prevention and testing, operator responsibility for maintenance/restoration of public roads, transportation of chemicals, management prevention program, leak detection for pipelines and tanks, air quality monitoring testing, construction of pipeline/wells, well and site abandonment protocols/standards.

City Attorney Soltani summarized the arguments in the letters received this evening; stated that the letters received from Manatt, Phelps & Phillips are written on behalf of Carson Companies as one of the mineral rights owners; and she added that these same arguments were raised during the moratorium and that the City had responded in writing at that time to those same arguments. She noted that one of their arguments is that the ordinance constitutes a compensable taking of the mineral rights from operators, owners and holders of minerals rights and their royalty interest; they claim that the local regulations governing the petroleum operations will make it commercially impractical to extract oil and gas in Carson; she advised that the City does not agree that its regulations are going to make it impractical to extract oil and gas; and added that one of the letters submitted from Latham & Watkins at 5:00 p.m. today does not make that allegation, noting that Latham & Watkins represents Californians for Energy Independence, a statewide coalition of energy producers.

City Attorney Soltani added that in order to show there is a taking of a property right, you have to either show that a regulation deprived a private property of 100 percent of the total economic value of their property, stating this clearly does not; or you have to show that there's a significant diminution in value of property rights; advised that there are cases where a 95-percent loss in value has still not been found to be a regulatory taking of a property right; and she stated that here, you're not going to have 95-percent loss in the value of oil extraction by the regulations that you're putting in place. She asked those to keep in mind that when courts look at regulatory taking issues, they look at the rights of the entire parcel as a whole, not just look at mineral rights, to determine economic effects of economic taking; that 100 percent taking of mineral rights, even if you had a 100 percent taking of mineral rights, which you don't, is not 100 percent

taking of the whole parcel; and she noted her belief that the proposed ordinance is legally defensible, and there is no solid grounds for a taking challenge to this proposed ordinance.

City Attorney Soltani stated that the letters from Manatt, Phelps & Phillips also try to argue that the City is preempted by state law; noted that local governments routinely regulate and zone oil and gas uses; that the law has long sustained a City's right to regulate land use, including oil and gas operations; and that state laws may preempt regulations in certain instances, but the way this oil code is drafted, it's been carefully drafted to avoid those situations. She stated there is no evidence that the legislature has ever explicitly intended to preempt local control over oil and gas operations, and state oil and gas laws continue to express preemption clauses; and stated there's no implied preemption here. She noted that state oil and gas laws, including SB 4, actually fall short of "fully and completely"; explained that when stated regulations fully and completely cover a subject matter, then there could be an implied preemption; but added there are many zoning codes that deal with oil and gas uses, and the state has not intended to occupy the field. She advised that staff has put provisions in the ordinance to try to address potential preemption issues if a court were to find there are any preemption issues.

City Attorney Soltani explained that the ordinance basically has what they refer to as a savings clause; and that if there is a preemption issue on a particular issue, the ordinance recognizes that such state law regulation will prevail over any contradictory provision in the ordinance. She addressed the letter from Earth Justice wherein it alleges that the savings clause the City has should not be in there, and that Earth Justice is saying the exemption should only apply if the applicant has a vested right; and she advised that the City Attorney's Office disagrees with that statement because they are not going to worry about regulatory taking issues as the City would, as a regulatory body, so that group has different considerations than the City does. She stated they also argue that because the savings clause says that before an activity can move forward, the petroleum administrator must determine if the activity creates a nuisance or not; that they're encouraging the City that this gives too much discretion to the petroleum administrator; but advised that staff believes that given the uncertainty about what's going to happen in the future, that's a good thing; that the City is going to have a qualified person with an environmental background who is going to become the City's petroleum administrator; and she added there is nothing wrong with giving them that discretion so they can make a case-by-case analysis should these issues come up.

City Attorney Soltani added that they also argue the ordinance allows an exception to ban acid matrix stimulation and should phase out the use of this material; she stated it's important to note that as Mr. Perez presented, acid matrix stimulation is generally prohibited under this ordinance and before an exception to the prohibition can occur, the petroleum administrator must determine the activity does not create a nuisance or adversely impact persons or property within the City; and she stated that, again, the City needs to have these flexibilities in its code to make it a practical code that can work. She added that since the reasonable investment-backed expectations must be made before approval of an ordinance, it needs to effectively phase out the uses over time as property is sold or otherwise transferred, noting this is exactly what the ordinance does.

City Attorney Soltani stated that Earth Justice argues the update does not provide an adequate buffer necessary for protection of public health; noted they don't make a recommendation as to what is a recommended buffered distance; but stated they have



seen a buffer as large as 300 feet, noting this proposal sets the buffer at 1,500 feet, one of the most significant buffers in the state that she has seen, stated this is reasonable under the circumstances because this is an urban area; and that staff and the consultant believe it is a good, safe buffer zone.

City Attorney Soltani stated that in conjunction with the buffers, the ordinance also requires active monitoring of emissions and the petroleum operations; explained that if the monitors are triggered, it could require the operations to be shut down completely, noting there are other protections in place; and explained that if you had a buffer area and no other protections in place, you wouldn't be accomplishing anything if you're not monitoring the emissions. She stated that this code takes an approach from all different environmental aspects and tries to provide a meaningful way of monitoring oil and gas operations and addressing any environmental concerns out of the operations.

City Attorney Soltani stated that the Earth Justice letter also ignores the fact that the ordinance provides for air quality monitoring; stated that the petroleum administrator and other individuals are going to have active monitoring, which also helps to address any issues if they arise; she reiterated that if it's proven an oil operator is in violation of any provisions of the ordinance, there are heavy penalties, including from \$10,000 to \$100,000 per day depending on the violation; and there's also a penalty wherein their operations can be shut down for violating the code. She stated that their letter says there's not adequate enforcement in place, stating she does not know how one gets more adequate protections/enforcement in place when you can shut down their operation. She stated they also ask for the City to create a citizen prosecution process, noting her office would have to look into that because there may be potential due process or legal concerns.

City Attorney Soltani referred to the last letter from Latham & Watkins received today, written on behalf of Californians for Energy Independence, believing the main point they are raising is to urge the City not to advance the proposed ban on fracking; and that they argue it's not permitted under state law, noting she has already addressed those issues.

Vice-Chairman Piñon questioned if this ordinance proposal is going too fast through the process, pointing out the last community meeting was just last week; and stated that the Environmental Commission should also be involved in this process.

Planning Manager Naaseh stated that this item can be continued if this Commission believes more time is needed for document review, pointing out that staff has no control over the late submittals of public letters; and stated that staff will share these reports with the Environmental Commission at its March meeting. He suggested that this matter return to the Planning Commission on April 14<sup>th</sup>.

Mr. Perez noted for Vice-Chairman Piñon that in situ means in place/on site.

Vice-Chairman Piñon noted that the ordinance states the decisions of the petroleum administrator are final, questioning whether there is an appeal process.

Mr. Perez stated yes, that is the intent of the petroleum administrator; and that they will deal with the technical issues and they have the knowledge/leeway as to know when the applicants are in compliance.



Planning Manager Naaseh explained that this is only after the Planning Commission and City Council have approved a project; and that this is just implementing the project and is similar to any other development project the Commission and City Council approves.

Vice-Chairman Piñon asked what other cities have petroleum administrators.

Mr. Perez stated that Santa Barbara County, Signal Hill, and Long Beach all have petroleum administrators, with different levels of obligations; that with this code, it has been used as a person responsible for all aspects of the code; and explained that the code has delegated responsibility, which means as a petroleum administrator is making a decision, that person can also go back up the chain of command to determine if they are exercising the desires of the City.

Vice-Chairman Piñon asked how staff came up with the proposed distances/setbacks.

Mr. Perez explained that they have used a number of other setbacks; that the setbacks they had used for specific projects have shown them that once you get away from 300 to 400 feet, the air quality, odor, and safety impacts begin to diminish; that they believed 300 to 400 feet was a comfortable setback; however, he advised that the City wanted the more restrictive setbacks, so while the 1,500 feet presents an overabundance of caution by the City, it is responsive to the residents who expressed a desire to have a setback that was as stringent/protective as possible.

Vice-Chairman Piñon asked why the Commission had not been provided a copy of the setback boundary map.

Mr. Perez stated it was only produced today and stated that a copy will be provided to the Commission.

Commissioner Gordon noted that the Lathan & Watkins letter prohibits banning of fracking; stated that state law does not prohibit the regulation of oil and gas production; and he questioned whether fracking is considered an oil and gas regulation or a separate issue.

City Attorney Soltani explained that when looking at state law preemptive issues, there has to be either an expressed preemption, noting there's no evidence that the legislature here explicitly intended to preempt local control over any oil and gas operations; or that there needs to be an implied preemption. She stated that what the oil and gas industry will argue is that because there is a comprehensive regulation of actual oil operations under the subsurface, they will argue that that is the preemption argument, that local agencies are not then allowed to ban fracking and that the Department of Oil, Gas and Geothermal Resources (DOGGR) has the authority to regulate issues such as fracking. She stated she is not aware of any courts that have addressed this issue; and that she is not aware of any legal authority/decisions that are on point.

Commissioner Gordon asked for input on the assertion of depriving a person of their property rights even if they only own the mineral rights and not the property.

City Attorney Soltani stated it is her legal position the rights of the entire parcel as a whole must be evaluated when you look at property rights and not just mineral rights to determine the economic effects of economic taking; and that in her opinion, the fact that the mineral rights may be owned separately from the surface parcel does not affect this analysis. City Attorney Soltani stated that the courts would look at the entire parcel as a whole regardless of how the ownership is divided; stated that the code as drafted is not depriving anyone of their mineral rights; and that it allows for operations that will allow them to get a return on their investment rights.

Chairman Faleto go read into the record the following: "City of Carson Oil and Gas Code Update: FAQ Community Handout, 2) Can the City place an outright ban on all drilling? An outright ban on all operations cannot be approved as part of the current update process. The City Council directed staff to prepare an update of the oil and gas code, with a ban on hydraulic fracturing and other extraction processes. City staff have complied with the process, noticing and environmental analysis for the update of the oil and gas code. At a minimum, an outright ban on all petroleum operations would be required to go through a separate initiation process, environmental review, notice and other procedures before it could be considered by the Planning Commission and City Council. Adoption, or denial, of the oil and gas code will not have any impact on the City's ability to explore other options in the future."

Chairman Faleto go called a recess at 8:51 P.M. and reconvened the meeting at 8:56 P.M.

Vice-Chairman Piñon asked why fracking is banned absolutely, no appeal, but acidizing is banned unless the petroleum administrator deems it fit.

Mr. Perez explained that this is something added to allow some discretion of the petroleum administrator in the event there was a takings issue which was somehow convincing enough that the City would have the opportunity to have that out, to be able to provide that exception, noting there are limitations to it; and added that staff wanted to have that flexibility.

City Attorney Soltani stated there are currently some operators in the City that may have certain practices wherein they have vested rights, so the City needs to give that flexibility to the petroleum administrator to be able to assess all of that; and she stated that with respect to fracking, staff is not aware of any fracking taking place in Carson at this time.

Vice-Chairman Piñon asked if acidizing is a vested right but not fracking.

City Attorney Soltani noted her understanding that there is some maintenance that occurs with certain acidizing, and currently, those approaches are being used.

Mr. Perez explained that there is a use of acid which is a typical use down hole when they need to clean up some material, and that use of acid is not attempted to be banned; that what is attempted to be banned by the City at this point is the use of acid to help fracture a reservoir and allow it to become fluid through the use of that acid on the surface; that there are other areas within the code that relate to the use of acid and how that can be done without any issue; he stated that there is no issue, that the



quantities are very small and they're regularly used throughout versus the use of acid for the purposes of fracturing the reservoir, where there are much higher quantities of acid that remains there for a specific period of time, this being what they are attempting to ban. He stated that as they continue to look at this and take into consideration Vice-Chairman Piñon's comment, this is something that may need to be revisited.

Commissioner Diaz asked why an EIR is not being conducted for this oil and gas code update.

Mr. Perez explained that what typically happens when you start a project, such as this oil code project, you go through all different layers of what can be done with CEQA; in this particular case, they looked at the potential notice of exemption to see if the project could be exempt; that because the regulations proposed here are all intended to improve the environment, they're all intended to provide a series of standards within which any oil company can come in and apply for a project, but that it is actually strengthening the environmental standards versus creating an opportunity for things to be negatively impacted environmentally; and that they found it could apply within Categorical Exemption No. 15308, Actions by Regulatory Agencies for Protection of the Environment. He explained that this is a series of actions the City is intending to take for the protection of the environment; and that the code as proposed is replete where requirements and development standards exist that will protect the environment, and it applies to that for that exception. He stated that, therefore, they did not look beyond that to see if any other layers would be applicable to the code that the City was attempting to adopt, such as any other requirement; and stated this fits within the categorical exception, and there is no necessity to go beyond that.

Chairman Faletogo opened the public hearing.

Richard Vaughn, resident, stated that cities throughout Southern California are implementing total bans on oil drilling, such as Hermosa Beach and Whittier; noted his belief that Carson has received second class status; and noted his confusion with comments made tonight of whether the City can or cannot ban all future oil drilling. He addressed a comment by City Attorney Soltani that the City is currently left defenseless because of its weak ordinance in effect now; and he suggested putting in place a temporary freeze on new permits until a new ordinance can be adopted -- not to deny anyone their rights, but simply say that the safety of the community has to take precedence.

Mr. Vaughn stated that with regard to MRS, he asked why there isn't a second consultant firm onboard, noting there may be a conflict of interest with this one because their website indicates they do a lot of work for oil companies. He asked if there were other consultants brought into this mix; and mentioned that Whittier used more than one consultant for their endeavors. He noted that many states across the United States are overruling local authority regarding fracking bans; that the Supreme Courts are ruling that local, special bans on fracking are void; and advised that there are a great number of current cases in the nation where local municipalities are losing in the court system.

Benjamin Hanelin, Latham & Watkins representing Californians for Energy Independence, noted he did submit two letters to this Commission this afternoon, and he apologized for the late submittals and noted his hope additional time is given for the



Commissioners to read the important points made in these two letters. Mr. Hanelin stated that the first issue relates to the proposed ban on well stimulation; advised that the state has exclusive jurisdiction over all subsurface aspects of oil and gas regulation banning particular types of oil and gas production; that it is the state's exclusive regulatory territory; and that the state legislature made clear this was the case when it adopted SB 4, which allows well stimulation and directs DOGGR to closely regulate the practices. He stated that Carson's proposed ban would be preempted and it would be void; and that the City should not take on this risk, as there is no reason to do so.

Mr. Hanelin noted that the question was asked whether there is expressed preemption in the City's statute; stated he agrees with City Attorney Soltani's comment that the state's statute does not explicitly preempt activities by the City of regulation of down hole activities; he mentioned that in 1975, the Attorney General's opinion stated, "We observe that statutory administrative provisions appear to occupy fully the underground phases of oil and gas activity." He stated there are two questions when you are looking at preemption: is there an express preemption or is there an implied preemption; has there been an occupation of the field; he noted his belief there is no question that the state has occupied the field with respect to down hole regulation, which is what a ban on well stimulation attempts to do, that it attempts to regulate down hole activities; stated that they think the law is clear on this point, that the City cannot do that; and that if the City does, it is inviting litigation they will have to defend and stated the City will lose.

Mr. Hanelin stated that they believe the ordinance creates substantial taking liability against the City; advised that many of the oil rights here are held in split estates, meaning the mineral rights are held separately from the surface rights; stated that the scope of the oil and gas code is so extensive that they believe it makes it impractical to recover those resources; and that adopting the oil and gas code and banning well stimulation would open up the City to liability from mineral owners, from operators and from land owners within the City. He stated that specifically on the oil and gas code itself, it appears to be regulation for regulation's sake; and noted there are extensive regulations on the state level for oil and gas operators, and there is no reason for the City to step into this arena. He noted that the point has been made the oil and gas code has not been updated for 20 years; and advised that there have been no instances of upset in Carson in the last 20 years and there is no reason to undertake this effort now.

Alexandra Nagy, representing Food and Water Watch, urged the City to slow down on its adoption of this code update, encouraging the City to look at the Earth Justice recommendations listed in their letters. She stated they are concerned with the acidizing aspect and how that seems to be allowed by the petroleum engineer; and she quoted the following from the Earth Justice letter, "The exemption of well stimulation, other than hydraulic fracturing, is necessary to recover the owners'/operators' reasonable investment backed by expectation established through investment," noting that is where they are at issue. She stated that it needs to be connected to vested rights; and that if the petroleum administrator is the only one with the authority to say this company or this operator can use acidizing, if other vested rights claims are going before a judge, this should go before a judge as well and it should be connected to state law. She referred to Measure J, which was passed in San Benito, a recent fracking ban, noting it's a much narrower definition of what vested rights are and is connected to

property rights; and that they would have to prove they would need to use acidizing to continue to claim property rights and their constitutional rights.

Ms. Nagy referred to setback limits, asking to see a rendering of the map which includes the 500-foot setback limit to commercial property, noting she is unclear on what that means; when talking about 50-foot setbacks for public roadways, walkways, railways, she stated she is concerned about accidents, spills, blowouts if those areas are near public avenues, believing this setback to be insufficient; and stated that even though recommendations were not made, she suggested working together to figure that sum out as well. She referred to where the wells exist that are within the 1,500-foot setback range, asking when those wells will be phased out; stated she does not believe this proposed code addresses that; and she stated that the 1,500-foot setback should retroactively apply to all wells and phased out over time. She highlighted a report prepared by the California Office of Environmental Health Assessment, saying that Carson ranges in the top 15 percent of the most polluted communities in the state; and she urged the City to please take that into consideration when looking at increasing setbacks, stating that the environmental injustice in this community needs to be addressed.

Daryl Gale, Los Angeles, requested the City slow down and consider the health issues of this code update; stated that at least 80 percent of known fossil fuels must stay in the ground if there is any chance of averting catastrophic climate change; noted there is no rational justification for more oil exploration and more drilling; noted her concern with contaminating more homes and communities; pointed out that more clean energy jobs are needed; and that society must move away from its use/dependence of fossil fuels. She impressed upon the oil and gas company people in the audience that it is time to diversify their businesses; advised that the price of photovoltaics keeps declining and the technology is continuously improving; that the price of electric cars keeps decreasing; that battery storage technology is also becoming more sophisticated for heating and cooling our homes; that California is increasingly leading in clean energy jobs; and stated she looks forward to a more comprehensive amendment of this update in the future.

Robert Lesley, resident, stated that the Earth Justice letter references California drilling, fracturing, specifying reports of incidents; that the letter addresses the potential for down hole drilling blowouts; and commented on the recent Torrance refinery explosion that was felt miles away, noting that a 1,500-foot setback is not sufficient. He stated that a refinery representative told him that abandoned wells can explode and that many still contain an excessive amount of oil. He expressed his belief that the violation provisions in this ordinance do not address true violations; that it should carry a punishment of a misdemeanor at the least, not just a fine, nor does it specify enforcement or show who will be a litigant; and he stated that it should address what qualifications and job duties are required of the petroleum administrator.

Michael Bowles, resident and also on behalf of Californians for Energy Independence, asked the Commission not to adopt this ordinance, stating that energy production activities in this community would jeopardize thousands of jobs and local tax revenues that support essential services, such as police, fire and schools; pointed out that local energy operations in Carson have generated millions of dollars in local tax revenues each year funding vital services that are crucial to the Carson residents' way of life,



noting this includes maintaining neighborhoods, police and fire protection, money to improve local schools, parks, libraries, and roads; and stated that without this tax revenue from local energy operations, Carson would be forced to make devastating cuts to critical services. He stated that for decades, energy operations have directly and indirectly created and sustained hundreds of good paying jobs for Carson residents and have generated millions of dollars in economic activity; and highlighted a recent independent economic report which stated that a single proposed energy project in Carson would provide \$25 million in paychecks to local workers every year while creating more than \$1 billion in economic activity over the next 15 years. He urged this body to recognize that the state is moving forward with the strictest regulations in the nation for hydraulic fracturing and other well stimulation activities; and urged this body not to adopt this ordinance.

Frank Zavala, Building and Construction Trades Council, urged caution in adopting this ordinance and to allow some reworking of the proposed oil and gas code; and noted his confusion with all of the conflicting information and asked to have more time to read the letters and information that has been submitted late this week. He advised that the Trades Council is closely working with many refineries to improve the safety standards of the workforce, referring to the passing of SB 54; and he stated they seek safety for not only the workforce but also for those who live in and around the surrounding communities of refinery operations. He urged this City to take its time to fully understand what is being proposed.

Ed Rendon, Southern California Political Director for Teamsters Council Local 42, stated that because of Carson's proximity to the port, hundreds of teamsters and their families live here in Carson, noting that he is here representing those members; stated that oil policy is important to California, as thousands of jobs depend on this industry for their families' livelihood; and he stated it is important to carefully consider this update and not create a precedent that will negatively affect the industry's willingness and ability to continue to do business in California, noting the job loss alone would be devastating as will the loss of billions of dollars this industry contributes to important state and local services. He advised that Governor Brown has put together a task force to look at the oil extraction activities in California, urging this body to allow the governor to lead the way when it comes to policies affecting extraction; stated that they have the resources to properly and scientifically assess the risk of different types of extraction; and noted the high potential for local policy makers to bow to public pressure that might not always be based in accurate science. He urged this City to do what is best for the community at large.

Chris Hannon, Los Angeles/Orange County Construction Trades Council, stated that he represents 140,000 hardworking men and women working in Orange and Los Angeles Counties; stated that many of these members live in Carson, which has been a working class community for generations and earning a living working in the oil and construction industry; and he urged this Commission to delay action on this item and to do a thorough job in evaluating the entire proposal. He expressed his belief that SB 4, which regulates oil and gas stimulation, adequately regulates this industry; advised that SB 4 directed an independent study be done, noting it won't be completed until July 2015; and that he believes this update is being rushed. He pointed out that City documents from August 2014 regarding the selection process of the contractor to prepare this report indicate that one of the contractors was excluded because they couldn't keep up



with the accelerated schedule of this project; and he urged this City to allow time for this project to be done correctly. He added he is not saying any amendments are necessary, but if amendments are to be made, they should be thought out completely. He pointed out that this industry is already tightly regulated and it does not need more regulation that will harm workers and harm the recovery of working families in California.

Tommy Faava, resident and representing IBEW Local 11, urged this body not to make a decision this evening and to continue it, believing the proposed update is filled with flaws; and he stated that all interested parties should be involved in this entire process.

John Hawkinson, chief financial officer for the Carson Companies, advised that the Carson Companies and its shareholders have owned mineral rights in Carson and surrounding areas for hundreds of years; that this company and its affiliates have been involved in oil production since the 1920's; noted that despite the amount of production over that period of time, there are still significant amounts of recoverable oil and gas in the ground; expressed his belief that the proposed language in the ordinance would effectively make oil and gas production economically and physically impossible, thus cutting off their access to the minerals they own; and that passing this ordinance would constitute a taking of their property without just compensation. He stated that if this update happens, it will force them to seek restitution from Carson through the legal system, noting that the broad, over-reaching language of this ordinance would leave them no choice.

Tom Muller, Manatt, Phelps, & Phillips, representing the Carson Companies, noted that he submitted a letter today; and stated he respectfully disagrees with some of City Attorney Soltani's comments related to her understanding of the letters provided to this body. He explained that the mineral estate is different from the surface estate; he provided an example, stating that if the only thing he owns is the minerals and the City is attempting to ban time-honored, long-used production techniques, such as acidization, the City is preventing him from using those minerals, and therefore the City has taken his minerals. He advised that these minerals are worth hundreds of millions of dollars; that it is a huge value to the hundreds of mineral owners who own these materials; advised that the people who own these rights are going to have to vindicate these rights, thus exposing Carson to a lot of expensive litigation; and stated that Carson will not win that fight.

Mr. Muller stated that the second issue is the preemption issue; stated that acidizing has been used for 120 years in the oil business, a long-standing technique; and noted that tonight, he has not heard anything about what's wrong with that technique. He stated it is not harmful; and that it is less harmful than many of the industrial processes that are currently going on within a mile or two of this property. He stated it's very clear that while he agrees with the City that many cities do regulate the surface activities which surround oil production, he does think there is not much of a problem with what's proposed in that area; but pointed out that they do not regulate the down hole aspects of oil production itself. He added that this is not a localized Carson issue, that it is a nationwide issue; and pointed out that this nation needs to produce oil.

Harry Wilson, resident, asked why this ordinance does not address any emergency routes or monitoring system to warn the community of accidents or emergency situations; highlighted a recent incident in Carson, noting a number of residents were



concerned there were no sirens, horns relating to that incident; and stated that several residents' properties were affected by that incident. He urged the City to adopt the most restrictive ordinance as possible and take into consideration the health and welfare of the residents; and he stated that the ordinance should be so restrictive that it discourages all oil companies from seeking to drill for oil in Carson.

David Noffin, resident, noted his concern the ordinance does not address slant drilling and the running of pipelines under homes and those safety aspects; asked how the slant drilling works and how it affects the safety of the residents; and questioned if the rights of the mineral owners exceed the rights of the residents.

Diane Thomas, resident, expressed her belief the oil companies only care about profits and not the health and welfare of the residents; and she stated that she likes the proposed ordinance, but noted there are some areas that need to be tightened. She cautioned the City not to work too slowly in adopting the update though, noting that there will be future interest when the price of oil increases; and she stated that Carson has a responsibility to keep its residents safe.

Alfred Sattler, congratulated Carson for this draft ordinance, noting it is one of the best in California thus far; and he asked that the City allow more time to review the late communications. He invited the construction trades to join in supporting construction of renewable energy and energy conservation facilities in Carson.

Pilar Hoyos, representing Watson Land Company, expressed concern with this proposed oil code; urged serious consideration in the deliberations; stated that outside forces with an anti-oil, anti-drilling agenda have been creating unwarranted fear with misleading information; and that those pushing for a ban on oil drilling have kept quiet the fact that the city of Compton recently rescinded its ordinance after facing a costly legal challenge. She stated that the proposed oil code is fueled by the fervor to stop the Oxy/CRC efforts to reopen the Dominguez Oil Field which had been operated for almost 70 years without incident; advised that some residents have been misled about the potential dangers from oil drilling in the center of Dominguez Technology Center, a 450-acre industrial park; and pointed out that no one would have more to lose from any purported dangers than Watson Land Company, which owns hundreds of millions of dollars in this master planned center. She pointed out that Watson Land Company does not own the oil and gas mineral rights; and that those are owned by the Dominguez Energy Company, made up of individuals and a number of charities serving the most needy.

Ms. Hoyos expressed her belief that the proposed oil code seems to be an exercise in punishing the industry that outside interests don't like rather than providing any necessary or well-reasoned protections. She noted that with the Oxy/CRC project EIR now moving forward, they question what urgency exists to hastily adopt an ordinance that will put the City in serious financial risk; pointed out that it stands to reason the mineral rights owners, as heard this evening, will not idly sit by and allow the taking of their oil and gas, as it represents significant value; and noted that the Constitution of the United States does not allow anyone's property rights to be taken by government action without just compensation. She added that the outside anti-oil forces have no real stake or interest in this community; that they want the Carson citizens to take on their national battle against the use of fossil fuels, yet they will not be the ones impacted by costly



litigation; and stated that the significant costs cannot be borne by Carson. She noted that Watson's holdings and investments in Carson are significant; and for this reason, they are very concerned about the potential negative impacts on the community and are urging the Commission to act with caution to protect the community and not rush to adopt this ill-advised and unnecessary ordinance and to reject the proposed oil code and direct staff to work with the industry, the community, and the mineral rights owners' representatives to develop reasonable regulations that do not put the City at risk and provide well-reasoned protections for the community.

Chairman Faletofo closed the public hearing.

Commissioner Verrett moved, seconded by Commissioner Brimmer, to continue this matter to the Planning Commission meeting on April 14<sup>th</sup>, directing staff to compartmentalize the proposals and to consider each item separately, at different meetings if necessary.

City Attorney Soltani clarified her understanding of the motion is to continue the public hearing to April 14<sup>th</sup>; for staff to break down the issues in the oil code into three categories to simplify the issues and put together responses to the issues raised this evening; and to provide the Commission packets earlier. City Attorney Soltani stated that all the issues should be taken up at one time when it comes back to the Commission, that it should be looked at comprehensively; and stated she does not recommend separating the health and environmental issues at different hearings. She stated that staff will try to further simplify the three components and work with the consultants to put together handouts that keep the three issues separate.

By way of a friendly amendment, Vice-Chairman Piñon asked that this item be the only issue on the April 14<sup>th</sup> agenda.

The makers of the motion accepted the friendly amendment.

City Attorney Soltani also requested this hearing be held in the Council Chambers at City Hall.

Commissioner Brimmer asked that the comments be clearly responded to and incorporated into the documents.

City Attorney Soltani invited the Commissioners to contact her office or City staff for clarifications.

Commissioner Brimmer asked whether an analysis of local city ordinances was performed.

Planning Manager Naaseh urged the Commissioners to contact staff with specific questions or clarifications on any matter, reiterating that this offer applies to all the Planning Commission agenda items.

Chairman Faletofo asked that slant drilling be addressed and for staff to work with the community and industry to develop other regulations for consideration.

Commissioner Gordon stated that the document should point out why this City is proposing to ban fracking, providing accurate/comprehensive information on what impacts this ban will create.

Planning Manager Naaseh stated that if the Commission is willing, staff and the consultant can conduct small group meetings with the Commissioners, conduct workshops, or meet one-on-one with the Commissioners to provide clarifications, agreeing that the issues are very complex/detailed.

The motion to continue this matter to April 14<sup>th</sup> carried, 9-0.

**12. PUBLIC HEARING**

**G) Zone Text Amendment No. 20-15**

Applicant's Request:

The applicant, city of Carson, is requesting the Planning Commission consider adoption of an Ordinance prohibiting hydraulic fracturing ("fracking"), acidizing and any other form of well stimulation and the associated CEQA finding for properties citywide.

**13. WRITTEN COMMUNICATIONS**

None

**14. MANAGER'S REPORT**

None

**15. COMMISSIONERS' REPORTS**

Vice-Chairman Piñon stated that on February 10<sup>th</sup>, there was an open tryout for a women's football league at Carriage Crest Park; and that he met with the league president and discussed the possibility of having the Los Angeles team play at the StubHub Center. He added that on February 20<sup>th</sup>, he attended the press conference announcement at the Community Center for the NFL stadium proposal; and that on February 21<sup>st</sup>, he moderated an election debate at Colony Cove Mobile Home Park.

**16. ADJOURNMENT**

At 10:15 P.M., the meeting was formally adjourned to Tuesday, March 10, 2015, 6:30 P.M., Helen Kawagoe City Council Chambers.

\_\_\_\_\_  
Chairman

Attest By:

\_\_\_\_\_  
Secretary



10. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

1. Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2) and (e) in one case.

The Closed Session was called at 6:35 P.M., and the regular meeting was resumed at 8:13 P.M.

Assistant City Attorney Chaffin provided the Closed Session report, noting there were no items to report on the Closed Session. All Planning Commission members present participated in the Closed Session.

11. CONTINUED PUBLIC HEARING

A) Zone Text Amendment No. 19-15

Applicant's Request:

The applicant, city of Carson, is requesting the Planning Commission consider Text Amendment No. 19-15, to Adopt a Comprehensive Update of the City's Oil and Gas Ordinance Regulating Petroleum Operations and Facilities, and a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308. The properties involved would be citywide.

Staff Recommendation:

Staff recommends the Planning Commission open public hearing, take testimony, close public testimony, discuss, provide additional refinements to the proposed Oil and Gas Code update, if any, and direct staff to prepare an updated resolution and ordinance consistent with the Planning Commission's direction and return for final action by the Planning Commission at the next meeting.

Chairman Faletogo opened the public hearing.

Mike Mitoma, resident, urged the Planning Commission to take into consideration the safety of the residents and address all health concerns when making its decision; and stated that all discussions should be held in open forums concerning this update. He noted that Hermosa Beach recently turned down oil drilling even being faced with a large lawsuit. He expressed his belief oil drilling operations put residents at risk of harm and stated that these operations should not be located in residential areas. He commented on the explosions at local refineries; and he noted his skepticism with the industry's assertion that they don't need to do any fracking to get the materials they are seeking.

Benjamin Hanelin, Latham & Watkins representing Californians for Energy Independence, noted that this evening, they have provided a letter, dated April 14, 2015, to the Planning Commission, urging the Commission to deny the proposed ban on hydraulic fracturing and to deny the proposed code update; stated that the letter highlights why the City should not get into the business of regulating the oil and gas industry as the ordinance proposes; noted that there are already state agencies in place that are equipped and allowed to regulate this industry; and stated that the City should not duplicate the important regulatory roles these state agencies play. He noted the



letter this evening includes a number of memorandums from other governmental officials/municipalities (City of Los Angeles, Compton, Monterey and Alameda Counties, Santa Barbara County, La Habra Heights) backing off from their attempts to regulate this industry due to legal advice that costly litigation is imminent and could bankrupt a municipality. He explained that the Baldwin Hills Community Services District ordinance was adopted to address specific issues arising out of the existing operations; that the ordinance was preceded by a lengthy EIR; that the regulations there were also shaped by litigation; that a settlement came out of that litigation; and he noted that Carson has none of those specific issues here. He stated there are existing operations in Carson; that these ordinances will put these existing operators out of business and cost Carson residents their jobs; that it is time for Carson to stop this process and to evaluate more fully what role the City can and should play as a land use regulator; and that it is time to draft an ordinance that will not destroy jobs and an ordinance that does not subject the City to substantial litigation risks.

Tom Muller, Manatt, Phelps, & Phillips, representing Carson Energy and the owners of the mineral rights underlying this land in Carson, noted that he provided a letter this evening for the Planning Commission, dated April 14, 2015; stated that if the City adopts an ordinance which denies his clients their right to millions of dollars of mineral rights, it stands to reason the people who own those mineral rights will sue to protect their constitutional rights, which will cost the City millions of dollars in legal fees trying to defend an ordinance that is unconstitutional and unnecessary. He stated that Carson should make sure it believes this ordinance is necessary.

Mr. Muller stated that nobody has fracked here and nobody is proposing to frack here because the underground structures are not suitable for fracking; and stated that his clients are concerned with the proposed impediments to any kind of oil production, oil exploration, and particularly acidization. He advised that acidization has been used in Carson and most other places where oil is produced since the 1930s without incident; he explained how far down the acid is pumped into the wells, thousands of feet below the ground surface; and stated that it does not get anywhere near people to do any harm, noting that the process of using the acids with a base dissolves the minerals and neutralizes the acid into salt and water. He stated that these acids here are not persistent like most of the other industrial chemicals used in this community. He noted his opposition to this draft piecemeal ordinance which has been created from various ordinances across the state; and he urged the Commission to instruct staff to remove any proposed ban on acidization and to come back with a balanced, fair, protective and reasonable ordinance.

Thomas Walker, representing some of the mineral rights owners, stated he is a registered professional petroleum engineer; and advised that he and his family live within two miles of two different oil drilling sites in Huntington Beach, noting he is very comfortable raising his family there. He advised that he has been hired to look at this ordinance and determine what, if any, impact on operations this ordinance will have. He expressed his belief this ordinance and its conditions will preclude an operator from developing their field; and stated that this ordinance gives the petroleum administrator (PA) the right to impose additional conditions upon an annual review and could cause operations to cease, noting there is too much uncertainty in this proposed ordinance. He noted that not all parties were given notice, stating that both the surface and mineral rights owners should receive notice of this process, addressing his concern with potential liability issues for all involved.



Mr. Walker explained that this technology is and has been used in Dominguez for many years; advised that the Dominguez field was discovered in 1923; that acidization was started worldwide in 1933; that water flooding began in 1944; that hydraulic fracturing was first commercially utilized in 1949; that massive hydraulic fracturing, which was not being used in this field, was started in 1968; that all those milestones occurred during the period this field was operated; and stated he is not aware of any major problems with operating the oil fields with those techniques.

Mr. Walker stated he is also concerned with the language in the ordinance regarding definitions; explained that when you drill a well, it is possible and common to have formation damage, noting this is cleaned up with small acid washes; and stated that the proposed language in this ordinance could prevent completion and production of wells. He added that state regulations are continually being generated in this industry.

Nicki Carlsen, Alston & Bird, representing E&B Natural Resources Management Corp. (E&B), stated that E&B has substantial oil and gas interests in Carson and that the company has recently decided to become more actively involved in this process; and advised that they have submitted a letter to the Planning Commission, dated April 13, 2015. She stated that the letter catalogs what they believe is the majority of their concerns with the proposed oil and gas code; advised that they are requesting to have further dialogue with the City; that the City should reach out to all the oil and gas interests for some input; and that they believe there needs to be more working sessions on specific sections and a better understanding on how the proposal impacts their client.

Eunice Langford, resident, urged the City to recognize that the state has in place adequate restrictions and regulations for this industry which have been designed to protect the health, environment and safety of the community; and expressed her belief what the City has drafted is unnecessary. She noted her concern with the loss of revenues for this community if this is to be adopted.

Nick Gomez, resident, member of Californians for Energy Independence, noted this group is opposed to the proposed oil and gas code update; and stated it will hurt this community's tax revenues, jobs, and services the residents receive.

Cruz Gonzalez, resident, stated it is important to protect California's right to energy independence; noted that energy production in California helps keep the cost affordable to all Californians; that it creates jobs across a wide range of sectors and generates significant revenues; and he urged the Commission to not approve this proposed ban, noting these are proven energy extraction techniques.

Steven Crump, resident, stated that tax revenues generated from oil production benefit this community in many important ways, such as funding schools, police, fire and many other community services Carson residents depend on and value; that banning proven oil extraction methods will result in economic inconveniences for Carson residents; and he urged the Commission to consider these issues.

Cliff Coatney, resident, stated that through the years, local energy operations in Carson have generated millions of dollars in local tax revenues each year funding vital services that are crucial for Carson's residents, such as police protection, fire, neighborhood maintenance, improvement of local schools, parks, libraries, and roads; and he urged the Commission to reject the proposed oil and gas code update, including the ban on oil production techniques.





Cesar Avalos, resident, stated that this industry provides good jobs and tax revenues; noted that this proposal will hurt the local economy; and he urged the Commission to reject this proposal.

Edwin Caballero, stated that he is currently training to be a diesel technician and expressed his belief this code, if adopted, would hurt the energy industry and the good jobs this industry creates; and he urged the Commission to not adopt the update.

Jeff Cooper, Cooper & Brain, 901 East Lomita Boulevard, stated that he only became aware of this proposal on Friday through an industry contractor, noting he did not receive any notice about this process. He stated that Cooper & Brain is a small business in Carson that produces oil; that they have five wells at their facility located on the southern end of Carson near Lomita Boulevard and Wilmington Avenue; and he noted they operate three wells inside the Tesoro Refinery tank farm. He stated that because he just became aware of this issue, he has not had adequate time to study what is being proposed and to provide input; he addressed his concern with not receiving notice of these hearings, stating that all impacted oil-related businesses in Carson should have been contacted; and he stated he would like to be involved in the dialogue with staff concerning this issue. He added that all these businesses want their operations to run safely. He noted that this business has been in operation since the 1960s.

Planning Manager Naaseh advised that notices were sent to all residents and businesses in Carson.

Rey Javier, V.P. Brea Canon Oil, noted that Brea Canon, a small family-owned company, currently owns and operates 22 existing wells; advised that out of those 22 wells, 11 are currently in pumping operation; and that they have 5 injectors (one idle), and one submersible. He stated that the City needs to consider the location of these wells, which are located inside the Los Angeles County Sanitation District property; that all other wells are west of Figueroa Street, south of Sepulveda Boulevard, with the exception of the one well in the parking lot of Target at the corner of Figueroa/Sepulveda; and he urged the Commission to continue this matter so the Commission can learn more about these technicalities.

Mr. Javier addressed his concern with converting the 11 existing pumps to submersible systems, stating this would put their company out of business; and stated that submersible pumps cost approximately \$100,000 each, which would cost them in total \$1.1 million. He advised that this company is only producing 82 barrels of oil per day in Carson at this time and that they would like to continue doing business in Carson; that they have 87 royalty owners who depend on those checks every month; stated that their annual Carson business license is \$20,000; and that their property taxes are \$420,000 annually. He asked to be involved in this process; and he urged a continuance of this matter.

Mike Kutchak, Director of Veterans Affairs with IBEW Local 11, stated that he served in the Marine Corps for 32 years and that he has dedicated his retirement life to serving veterans and helping returning combat veterans obtain decent jobs. He urged Carson to continue its dialogue with all interested parties and to not make rash decisions that could potentially close down and cease job opportunities for the returning veterans from active duty; and he pointed out that the military forces are being drastically and rapidly downsized. He stated that California is cutting back on its oil production; that the vast majority of California's oil comes from imports, which drive up the cost to California

consumers; and he noted his concern with outsourced jobs and lost revenues in this industry that can be maintained in California; and he urged the Commission to reject the updates, believing it is bad for California's economy and energy independence. He pointed out that Carson has openly and publically recognized its veterans; stated that the veterans deserve to be reintegrated into the workforce; and he highlighted the need to ensure they have the opportunities and options for good middle class jobs and incomes.

Tommy Faavae, representing IBEW Local 11, expressed his belief this process is moving backwards, referring to the moratorium from last April; stated that there are flaws in this oil and gas code; and noted his concern with the comments from a speaker this evening that his oil-related business had not received notice of this process, noting that all affected parties should be contacted. He stated that many jobs are going to be affected by the City's decision; and he urged the City to bring the affected parties to the table to develop a comprehensive oil and gas update that works for business, labor, and the community.

Joe Galliani, organizer of the South Bay Climate Action group, stated that he cares about the veterans and union workers, but noted he has higher aspirations for these people to obtain clean jobs that do not cause cancer and asthma. He stated there is 400 ppm of CO<sub>2</sub> in our atmosphere, noting we are pumping more carbon into the air than our atmosphere can handle. He explained that there is a carbon budget of about 535 million tons of more carbon that we can burn until we reach the danger zone of 2 degrees centigrade which scientists have warned us is the point where we don't want to go beyond; and pointed out that scientists from around the world agree with this 2-degree warning. He added that according to scientists, at our current burning rate of oil, coal and gas, we are 12 to 15 years away from reaching that 2-degree mark; and stated that 80 percent of our oil, coal and gas must be kept in the ground if we don't want to reach the danger zone and get past the point of no return.

Mr. Galliani stated that there are new, clean energy jobs for everyone; and advised that there is a new solar jobs program in Los Angeles County, with UCLA indicating if solar is put on just 5 percent of the roofs and buildings in our county, that would create 29,000 new jobs that don't cause cancer and asthma. He noted that Hermosa Beach just recently rejected a proposal from the oil industry because they don't want the health risks and danger associated with this industry. He added that the state has called for a 50-percent reduction in the use of petroleum by the year 2030, noting that SB-350 has the support of the Governor, the Assembly, and the Senate. He stated that over the next 15 years, the market for coal, gas and oil in this state will be cut in half; and he urged the City to study these scientific and political facts and to continue working on regulating this field.

Mr. Galliani noted for Commissioner Schaefer that there is a program in the County of Los Angeles which allows a homeowner to borrow money on their property taxes to put solar on their home and pay it off over 20 years as part of its Los Angeles County Energy Program.

Alexandra Nagy, Southern California organizer with Food and Water Watch, noted she is fighting against the exploitation of the oil and gas industry in Carson; highlighted her disappointment with Oxy's EIR, believing it is one of the worst EIR's drafted; pointed out there is a small number of people employed in this industry compared to the rest of the population; and noted the need to protect the environment and health of those living in this community. She expressed her belief that this industry is a dying and

nonrenewable industry and that solar and other renewable energy is our future and is a growing industry. She stated that this update is beneficial for the City; that the City needs to address what it wants to see in its community, what makes this community healthy; and she urged the City to put in regulations that are necessary to protect the community from a dangerous and toxic industry. She stated that the oil and gas industry has the highest death rates than any other industry; and she urged the City not to back down from the legal threats.

Steve Carr, employee at E&B Natural Resources, noted he has worked for both Brea Canon Oil and Cooper & Brain; stated that he has worked in the oil industry for 20 years in Carson, and he has witnessed increased safety measures being implemented throughout the years in these oil-producing facilities; and he stated that these companies represented this evening have been paying attention to the neighbors and addressing their concerns and that they go beyond what is required of them. He advised that these properties are well maintained; and he urged the Commission to take more time and consider what the oil companies have said about wanting to have open dialogue.

Chairman Faletogo read into the record a statement from Carl Edwards: "This ordinance will eliminate all growth in the oil sector in Carson. Green Compass is a service firm that relies on work generated at E&B's Carson facility. We have serviced this field for many years. Please reconsider this idea. It is not in our best interest as a community."

Chairman Faletogo read into the record a statement from Lori Noflin, resident: "I feel the city of Carson should not approve this ordinance as written. Carson is a densely populated residential and commercial city. Carson is not an oil field. When we incorporated as a city, it was to stop the bad projects that cause contamination. I don't know where in Carson you could allow new drilling that would not impact the health and safety of our community. This ordinance should stop any new drilling and strongly regulate existing drilling in Carson. We have an opportunity to pass a meaningful ordinance that could stop this assault on our communities. That would stop our children and grandchildren from having to fight this battle again. Carson is not an oil field for investors and oil companies to be deciding where they are going to set up the next well."

Pilar Hoyos, representing Watson Land Company, asked: "Why is this ordinance necessary? What is the urgency to adopt the ordinance now that the CRC project has been withdrawn? Who is driving and pushing this ordinance and why?" She expressed her belief that outside forces came into this community and fed fear and created an environment of distrust; and she highlighted one example of that coming from a speaker present this evening who indicated that Oxy came in here with 200 fracking wells. She pointed out that is a factually incorrect statement; that Oxy never needed to frack; and that Oxy so stated and agreed they would enter into a development agreement that would not allow them to frack. She stated that was just one statement made to create a divide within the community by outside groups that have a different agenda.

Ms. Hoyos asked the following questions: "Does this ordinance go too far and effectively preclude all oil operations, including small business operators heard from this evening? What are the costs to the local economy, to jobs, families, and the community? If the intent of the ordinance is to ban drilling, then what are the risks to the City for the cost of litigation?" She highlighted the citing of various court cases posed by



the lawyers, asking, "If you own mineral rights, what do you do; do you have a right to those mineral rights and the value of that oil and gas?"

Ms. Hoyos pointed out that the state has the expertise needed to regulate and to protect all communities; and she urged the City to please consider the far-reaching impacts and the legal risks to the City and don't be fooled by outside groups that have a different agenda. Speaking to Tom Walker's reference this evening relating to the timing of the different types of drilling and how long they've been in operation, she pointed out that a lot of those oil fields were here before homes were built and they operated without all the negative impacts that have been thrown out in this evening's comments.

There being no further input from the audience, Chairman Faletogo closed the public hearing. He thanked the audience members for their participation this evening.

Chairman Faletogo noted that a memo was received from Robert Lesley, resident, noting his support of amending the ordinance.

Planning Manager Naaseh advised that following the February 24<sup>th</sup> hearing, staff met with the Planning Commissioners in three separate small groups to provide additional details on the proposed ordinance; and that staff and the consultants also met with industry representatives and community members who have shown interest in this process. He stated that four letters were received for this evening's meeting: two letters received from Manatt/Phelps/Phillips, dated April 13, 2015 and April 14, 2015; one received from Alston & Bird, dated April 13, 2015; and one received from Latham & Watkins, dated April 14, 2015 (of record).

Luis Perez, MRS, with the aid of a power point presentation, provided an update on the progress since the last meeting; and stated that this evening's presentation is part of the direction given to MRS by the Commission from that last meeting. He added that staff and he met in small groups with members of the Planning Commission since the last meeting; and that they also met with industry representatives and community stakeholders on Wednesday, April 8<sup>th</sup>, noting that a number of revisions have been made to the code arising from those meetings, which will be addressed this evening.

Mr. Perez commented on the following community/industry issues of concern:

- With regard to slant drilling allowed, he explained that slant drilling is predicated by property rights; in order for a company to drill, they have to obtain easements, mineral rights, and property rights for access to those wells and that slant drilling is not something the City is able to regulate;
- With regard to potential exceptions to a fracking ban, he stated that the fracking ban language has been put in place to protect the City from potential litigation;
- With regard to a requirement for ambient air monitors, he explained that the requirement is only for air monitors that cover hydrogen sulfide monitoring; that it is very expensive and not viable to monitor all the different components/types of toxic materials the public addressed, and therefore, no change is proposed;
- With regard to the appeal process, he explained that the appeal process would range from the PA, Planning Commission, and then on to the City Council;
- With regard to abandoned wells within the City, he stated there is a map which shows where all the abandoned wells are located; and added there is a requirement within the code that if somebody is doing drilling within an area that



has existing abandoned wells, they would have to ensure those previously abandoned wells have been abandoned/plugged properly; and

- With regard to existing wells and how those will continue to operate without new regulation, he explained that the proposal does not cover existing wells; and that the new regulations would only cover existing wells if an operator were to obtain a permit for new development within that area which requires them to obtain a conditional use permit (CUP) and a development agreement (DA).

Chairman Faletogo asked if a PA is necessary; and is there anything wrong with the current situation of using staff and the City Council.

Mr. Perez stated that the code would require the City administrator to appoint someone as the PA; he stated if there were no proposed projects, there probably would not be any need for a PA; but if there was a wave of new development/proposals for oil and gas projects, the City manager would appoint a PA to handle the issues of the code. He added that the intent of the PA would be to have a specific clearing house, a go-to person that is in charge of all the petroleum activities within a jurisdiction. He stated this is done in other jurisdictions.

Commissioner Brimmer asked for clarification on the appeal process.

Assistant City Attorney Chaffin stated that an appeal process depends on the type of activity involved; that the way the code is proposed, some matters will be decided directly by the PA; that some may be appealed to the Planning Commission and City Council; and that there are other legal remedies available to them if the City's appeal process is not in their favor, noting a court would have to determine if the City acted reasonably, that it would involve a lawsuit to challenge the City's decision.

Commissioner Brimmer asked if any written handouts were distributed to those present at the April 8<sup>th</sup> meeting, noting the technical information needs to be uncomplicated as possible. She stated the City needs to make sure all interested parties are informed of this process and these meetings.

Assistant City Attorney Chaffin noted for the record that legal notices were given in compliance with the Brown Act and City requirements.

Commissioner Gordon noted his concern with the PA and their authority under the proposed ordinance, Page 108 of staff report, first paragraph, "The decisions of the PA in enforcing, interpreting, or in exercising the authority delegated by the provisions of this ordinance and of the codes adopted hereby shall be deemed final," stating this means to him there is no chance of appeal following the PA's decision; he noted his concern with interpreting this code; and stated there is no criteria for the qualifications of the PA.

Assistant City Attorney Chaffin explained that Section 9505A, Page 108 of staff report, is intended to provide finality for the applicant by saying the decision is final and they don't need to go to another body for relief; and explained that this Commission has the discretion to deny or support this proposed language.

Commissioner Gordon asked what other jurisdictions have PA's and has the power and authority this is proposing.

Assistant City Attorney Chaffin explained that there are other jurisdictions which have PA's, but added those authority rights vary from each jurisdiction; and that the City has



the authority to designate and determine how it interprets its own ordinances as long as that interpretation is reasonable.

Commissioner Gordon expressed his belief that not everything needs to be solved in a court of law, that the City should be able to develop an appeal process that avoids lawsuits. He highlighted staff report Page 112, "Findings, The project shall not be detrimental to the comfort, convenience, health, safety, and general welfare of the community, and will be compatible with the uses in the surrounding area," asking if that determination is left to the interpretation of the PA, what would be considered "comfort, convenience" of the community.

Planning Manager Naaseh explained that this is a finding for the CUP and is under the purview of the Planning Commission.

Assistant City Attorney Chaffin stated that Section 9507.3 says the Planning Commission is the deciding body to approve/deny a CUP, not the PA.

Mr. Perez referred to industry issues that were discussed at their meeting:

- With regard to the timing of the code/impetus, he explained that this was initiated by City Council in May of last year; that City Council provided direction to return to them with an oil code that is as protective as possible to the health, safety, and environment; and in addition to that, City Council also was in favor of a ban on fracking as part of that oil code update;
- With regard to legal, non-conforming uses, he stated that any concerns with regard to legal, non-conforming uses relate to those existing facilities, noting that they could potentially be subject to amortization at some point and required to cease operations;
- With regard to acidizing definitions/acid volume thresholds, he explained that the two definitions used in the letter for acidizing and acid volume thresholds say to flush minerals from the well and its associated equipment, to help dissolve minerals at the bottom of the well that are plugging the well and impeding the flow of oil into the well, noting these are not contemplated within the ban on well stimulation techniques, and they would not be affected; that those two things can continue to be done as a matter of course as far as their operation is concerned; and he stated the language is very clear with regard to that particular issue, noting this process has been used for many years;
- With regard to a requirement of submersible pumps in industrial zones, he noted they are in agreement that there should not be a requirement for submersible pumps in industrial zones, noting they are sufficiently far away enough from any potential sensitivity receptors and there is no necessity for them; and noted the code has been amended to include an exclusion for submersible pumps within industrial zones;
- With regard to requirements for pipelines inside oil fields, he stated the intent of the code was not to have requirements for leak detection systems inside the oil fields, that it's only for the pipelines that leave the oil fields; and advised that they have made that clarification as part of the revised code; and
- With regard to the overlap with AQMD (fugitive dust), he stated they are in agreement with the concern of overlapping with AQMD on fugitive dust issues;



and that they would suggest removing that language from the code because that is already contemplated within AQMD's regulations.

Mr. Perez commented on how the oil and gas code update will affect existing operations; stated that if an operator wants to add wells or do something that would trigger the requirements of the oil code by way of needing to obtain a CUP or DA, those actions would then require the existing facilities to be brought up to the requirements of the updated oil code; but if an existing operator continues to operate/produce without making any substantial changes and not require a permit, they can continue to do so. He stated that by virtue of the code, that property would become a legal, nonconforming use, and they could continue to operate for a period of years before Carson's 20-year amortization process kicks in; and that if an operator was to consider continuing their operations after that amortization period, they could request to obtain an exemption from the requirements of the code as an existing operator.

Greg Chittick, engineer with MRS, commented on EIRs from other jurisdictions and the impact distances, with mitigations, highlighting issues of aesthetics, air quality, odors, noise, and safety; and noted these were studied in order to understand what impacts oil and gas operations might produce:

- With regard to issues concerning aesthetics, he stated that aesthetics can be very subjective and dependent on the location of a project;
- With regard to air quality, he addressed the issues related to AQMD's localized thresholds as well as cancer and chronic/acute health impacts, noting that all the numbers reflected on the power point chart have mitigation measures in place; and
- With regard to odor, he noted that Carson's proposed 1,500 setback addresses all of the impacts, with the exception of completely mitigating odors; noted there are advantages/disadvantages to this proposed setback; and advised that the disadvantages are it is very restrictive on current operators and is less legally defensible, noting there are very few codes that are as restrictive, none they are aware of in California. He explained that if this setback were reduced to 500 feet, it would be less restrictive for current operators; would address most of the public health issues, including noise, air quality; and most of the odors and safety issues would likely require added mitigation. He explained that if this setback is further reduced to 300 feet, it would be minimally restrictive for current operators and mitigation measures would be put in place, but leaves open the potential for odors, accidents, or unmitigated noise and air quality issues. He stated that the current code sets residential at 300 feet, which is the least restrictive of the proposed.

Commissioner Piñon referred to staff report Page 107, Subsection A, asking what are the legal parameters of the PA, "the PA shall have the powers of a law enforcement officer."

Assistant City Attorney Chaffin explained that various public safety officials have some of the powers of law enforcement officers; that this would allow certain rights of inspection and enforcement; that it would allow monitoring of a facility and the ability to shut down the operations; and he stated that he is not familiar with the exact enforcement parameters at this time. He stated he does not believe they will have the authority to arrest anyone.



Mr. Perez noted the intent was not to provide arresting powers, but in cases where there may be an incident, to allow the PA right of entry into a facility where there needs to be monitoring and assurance of compliance; in addition to that, if there's a need because of public health and safety, it would authorize the PA to require a shutdown of facilities.

Commissioner Piñon asked why submersibles would be required, questioning if it has to do with safety or aesthetics.

Assistant City Attorney Chaffin stated that is a current requirement in the City's code, and noted his belief it is largely for aesthetics.

Mr. Chittick added that if an above-ground pump is not working well, it could become a noise issue.

Commissioner Schaefer referred to staff report Page 151, asking what a meteorological station is, whether it is manned and is the requirement standard industry practice.

Mr. Chittick explained that the meteorological station records wind speed and direction, temperature, a whole range of things; but this site-specific requirement is for the recording of wind speed and direction, believing that having this information is advantageous in understanding where an odor might come from or if there are other issues related primarily to odors. He mentioned that this requirement was taken from the Baldwin Hills Community Standards District, and noted it is not a state requirement.

Commissioner Schaefer expressed her belief this ordinance needs a lot more work; pointed out that there are state agencies already in place to regulate this industry; and noted her concern with Carson attempting to set its own rules/regulations from the rest of the state's regulations. She requested that the code be revised to a smaller version that is parallel with what the state requires, noting the state is continually updating these regulations to keep up with the industry; and to include a few regulations that specifically relate to Carson's uniqueness. She stated that it is not necessary to completely revise the rules/regulations; and stated it needs to be reworked and made more simplistic.

Commissioner Gordon noted his concurrence with Commissioner Schaefer's comments. He stated he would like to see a couple options concerning the PA: 1) the complete elimination of a PA; and 2) a reduction in the scope of authority for a PA and provide some comparatives to the authority they have in other municipalities and how they operate. He expressed his belief this is going forward too quickly with such drastic changes being proposed; and he asked what is the problem the City is trying to solve that requires such a drastic change in this ordinance and what is the urgency in moving this along so quickly.

Assistant City Attorney Chaffin explained that Carson's City Council is the body that initiated this process/task and gave direction to staff with regard to the scope of the ordinance; that staff is merely acting consistent with the direction they've been given by City Council; and that it would be the City Council's determination as to why this matter is moving forward. He added that as far as the comment about this ordinance item going too quickly, ordinances are typically passed much more quickly than what is happening here, though acknowledging this is a complicated issue. He noted this update has been available to the public since February; stated that as the process goes forward, there are further requested refinements being made; and highlighted staff's



recommendation this evening for the item to be continued for additional review and additional recommendations.

Commissioner Gordon stated that more time is necessary to understand the ramifications of the update's implementation. He asked, "Who really has authority on regulating fracking? Is it local or state?" He stated that somewhere the line seems to be crossed, and that this question has not been satisfactorily answered in this report. He added that the answer should be put in relation to SB-4.

Assistant City Attorney Chaffin stated that SB-4 does not specifically ban fracking nor does it expressly preclude the City from banning fracking; and that currently, there is no law which expressly prohibits Carson from banning fracking.

Commissioner Gordon asked if SB-4 gives this authority to the Division of Oil, Gas, and Geothermal Resources (DOGGR).

Assistant City Attorney Chaffin explained that DOGGR has certain regulatory authority, part of that regulatory authority being granted under the direction of SB-4; and that under SB-4 direction, DOGGR was to address certain well stimulation technique impact studies to develop regulations.

Chairman Faletogo agreed that legal ramifications need to be considered.

Commissioner Gordon asked with regard to the takings issue, is this proposed regulation so onerous and so restrictive that it deprives a person of their rights.

Assistant City Attorney Chaffin explained that the way the ordinances are currently structured, they do not ban oil and gas operations, they regulate oil and gas operations; and that this is within the purview of the City. He noted that to the extent the ordinances may come to the point where they inadvertently and could potentially result in a taking, both the ordinances include a savings clause, which is a provision wherein the oil industry or applicant can come in and say under my unique circumstances associated with my case, if you apply this ordinance, it will result in a taking unless you grant me an exception; and as proposed, the PA has the authority to grant that exception which would mean there would not be a compensable taking.

Commissioner Gordon stated he is concerned with the burdensomeness of this regulation; and asked how long it will take for a business to get through this process.

Assistant City Attorney Chaffin stated there are too many variables to accurately answer that question, but if he had to estimate, it could take a year to a year and a half to complete the environmental process.

Commissioner Gordon asked the following questions: "What will it cost a business to go through this process from start to drilling a hole in the ground? What is the maximum setback in place in any jurisdiction in California for this industry?"

Assistant City Attorney Chaffin stated that throughout most jurisdictions, it can range from 100 to 500 feet and noted that a maximum range of 500 to 600 feet would not be uncommon. He added there are a range of options and to know for sure, it would require an extensive overview of each jurisdiction. He highlighted the power point sample given this evening of various jurisdictions ranging from 100 to 500 feet.

Commissioner Gordon highlighted the proposed 1,500-foot setback, questioning what is the risk to the City of having a setback which far exceeds any other jurisdiction.

Assistant City Attorney Chaffin pointed out that the Planning Commission has the discretion to make a recommendation for a shorter setback and explained that lessening that distance would likely require added mitigation measures; and stated that the Planning Commission could direct staff to return with language that reduces that setback.

Commissioner Brimmer requested a copy of this evening's power point presentation. She urged staff to meet with all interested parties before the next meeting. She requested that the PA's scope of work be broken down and clarified; and noted her belief that in order to save money, a qualified planner could be assigned the duties of a PA.

Commissioner Schaefer asked if there have been any violations recorded on the current operators in Carson and if so, what has been done about those violations.

Commissioner Verrett asked if the draft ordinance will be sent to DOGGR and other regulatory agencies for input.

Chairman Faletogo asked what would happen if no PA is required.

Planning Commission Motion:

Commissioner Gordon moved to continue this matter to May 26<sup>th</sup>; to direct staff to answer the questions posed this evening; to return with two options for the PA, to eliminate or reduce the power/authority. (This motion was ultimately rescinded.)

Commissioner Verrett seconded the motion.

Commissioner Brimmer expressed her belief the motion needs to have clarity and asked if she is able to submit further written questions for staff's consideration.

Assistant City Attorney Chaffin noted the consultant will not be available on May 26<sup>th</sup>.

By way of a substitute motion, Commissioner Verrett moved to continue the matter; and that the discussion and motions be broken into segments until the Commissioners are satisfied with each section. This motion died due to the lack of a second.

By way of an amended motion, Commissioner Gordon moved to continue this matter to May 12<sup>th</sup>; that this evening's questions/concerns be addressed; that the ordinance be tailored to Carson and not a consolidation from other jurisdictions; and to return with two options for the PA -- to eliminate or to reduce the power/authority.

Commissioner Verrett reiterated her desire to see each section taken in an organized fashion.

Chairman Faletogo seconded Commissioner Gordon's amended motion.

Assistant City Attorney Chaffin asked if the motion includes setback issues.

Commissioner Gordon stated it should, yes, that it is to direct staff to address reducing that setback from 1,500 down to 500 feet, or scaling it downward. He added that there should be communication with all affected businesses in Carson; and that the Planning Commissioners submit any further questions in writing to staff.

Chairman Faletogo noted his support of reducing the setback to 500 feet.

Mr. Perez asked that any written questions be submitted no later than next week so they can include the answers at the May 12<sup>th</sup> meeting.



Commissioner Verrett asked for further clarification on the pipeline, transportation and storage issues.

Assistant City Attorney Chaffin noted his understanding of the motion as follows: to continue this hearing to May 12<sup>th</sup>; staff is directed to return with alternative language to either eliminate the position of the PA or significantly reduce the authority of the PA; staff is directed to return with language setting up a 500-foot setback for residential uses instead of the 1,500-foot setback; that there can be a scaling down involved, up to 1,500 feet, the closer one is to residences, the more requirements necessary; and that the Planning Commission is to submit within the next week any questions they have.

The amended motion passes, 7-0 (absent Commissioners Diaz, Goolsby).

---

(Commissioner Brimmer departed the meeting after the motion.)

Assistant City Attorney Chaffin suggested incorporating all the public testimony and Commission comments that were offered this evening for Zone Text Amendment No. 19-15 as if it were stated for this item; advised that staff does not have any additional publications or report to offer on this matter; and he suggested the hearing be opened/closed for public testimony. He added that all items posted on the City's website related to this matter have been printed out and are available at this evening's meeting.

**11. CONTINUED PUBLIC HEARING**

**B) Zone Text Amendment No. 20-15**

Applicant's Request:

The applicant, city of Carson, is requesting the Planning Commission to consider adoption of an Ordinance prohibiting hydraulic fracturing ("fracking"), acidizing and any other form of well stimulation, and the associated CEQA finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308 for properties. The properties involved would be citywide.

Staff Recommendation:

Continue.

Chairman Faleto go opened the public hearing. There being no further input, Chairman Faleto go closed the public hearing.

Planning Commission Motion:

Commissioner Verrett moved, seconded by Commissioner Schaefer, to concur with the attorney's direction, continuing this item to May 12, 2015. Motion carried, 6-0 (absent Commissioners Brimmer, Diaz, Goolsby).

---

**12. WRITTEN COMMUNICATIONS**                      None

---

**MINUTES**

**CITY OF CARSON  
REGULAR MEETING OF THE PLANNING COMMISSION**

*Helen Kawagoe City Council Chambers, 2<sup>ND</sup> Floor  
701 East Carson Street, Carson, CA 90745*

*May 12, 2015 – 6:30 P.M.*

1. **CALL TO ORDER**

There being no Chairman, the Secretary called the meeting to order at 6:41 P.M. with the assistance of the City Attorney's Office for the purposes of selecting an Acting Chairman.
2. **PLEDGE OF ALLEGIANCE**

Commissioner Faletogo was elected Acting Chairman, and the meeting was turned over to him.

Acting Chairman Faletogo led the Salute to the Flag.
3. **ROLL CALL**

Planning Commissioners Present: Faletogo, Madrigal, Post, Schaefer, Thomas, Alternates Gordon and Andrews

Planning Commissioners Absent: Diaz (excused)

Planning Staff Present: Planning Manager Naaseh, Assistant City Attorney Chaffin, Associate Planner Rojas, Planning Technician Alexander, Recording Secretary Bothe
4. **AGENDA POSTING CERTIFICATION**

Recording Secretary Bothe indicated that all posting requirements had been met.
5. **AGENDA APPROVAL**

Commissioner Schaefer moved, seconded by Commissioner Madrigal, to approve the Agenda as presented.

Planning Manager Naaseh requested that Agenda Item Nos. 11C, A, and B be considered before Agenda Item Nos. 10A and B.

Acting Chairman Faletogo moved, seconded by Commissioner Thomas, to accept staff's request. No objection was noted, and the approval of the amended Agenda



was approved (absent Commissioner Diaz.

6. INSTRUCTIONS TO WITNESSES

Acting Chairman Faletogo requested that all persons wishing to provide testimony stand for the oath, complete the general information card at the podium, and submit it to the secretary for recordation.

7. SWEARING OF WITNESSES

Assistant City Attorney Chaffin

8. ORAL COMMUNICATIONS

For items NOT on the agenda. Speakers are limited to three minutes. None

9. CONSENT CALENDAR

A) Selection of Chair and Vice-Chair

Commissioner Madrigal moved, seconded by Commissioner Andrews, to elect Commissioner Diaz to serve as the Planning Commission Chair.

Commissioner Schaefer moved, seconded by Commissioner Gordon, to elect Commissioner Faletogo to serve as the Planning Commission Chair.

Commissioner Schaefer expressed her confidence in Commissioner Faletogo's leadership and encouraged a yes vote for his reappointment as Chair, believing that with the new appointments to this Commission, it would be helpful to have this continuity/stability.

Commissioner Madrigal expressed his confidence in Commissioner Diaz' leadership and encouraged a yes vote for his appointment as the Chair, noting he also has a great deal of experience as a Planning Commissioner.

Commissioner Post echoed Commissioner Madrigal's comments and encouraged a yes vote for Commissioner Diaz.

Commissioner Diaz was selected as the Planning Commission Chair as follows:

- AYES: Andrews, Madrigal, Post, Thomas
- NOES: Faletogo, Gordon, Schaefer
- ABSTAIN: None
- ABSENT: Diaz

Commissioner Post moved, seconded by Commissioner Thomas, to elect Commissioner Madrigal to serve as the Planning Commission Vice-Chair. This motion carried, 7-0 (absent Chairman Diaz).

9. CONSENT CALENDAR

B) Minutes: April 28, 2015

Motion: Commissioner Faletogo moved, seconded by Commissioner Schaefer, to approve the April 28, 2015, Minutes as submitted. Motion carried without objection, 7-0 (absent Chairman Diaz).

---

(Agenda Item Nos. 10 A and B were discussed as the last order of business this evening.)

10. CONTINUED PUBLIC HEARING

A) Zone Text Amendment No. 19-15

Applicant's Request:

The applicant, city of Carson, is requesting the Planning Commission consider Text Amendment No. 19-15, to Adopt a Comprehensive Update of the City's Oil and Gas Ordinance Regulating Petroleum Operations and Facilities, and a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308. Properties involved are citywide.

Staff Report and Recommendation:

Planning Manager Naaseh presented staff report and the recommendation to identify additional refinements or items, if any, to include in the recommendation; and Direct staff to prepare an updated resolution and ordinance consistent with that direction and return for final approval by the Planning Commission at the regular meeting scheduled for June 9, 2015.

Planning Manager Naaseh highlighted various meetings with the community and/or industry representatives that have been conducted since the last public hearing, noting that the code has gone through more revisions that will be addressed this evening; and advised that an industry meeting was conducted this afternoon and that it is staff's recommendation to continue this matter to June 9<sup>th</sup> so a final version with those revisions to the code can be incorporated.

Luis Perez, MRS, explained that the City hired MRS to perform an update of the oil code that includes a number of items that had to be addressed, noting this lengthy code is essentially a response to a lengthy request for proposals that included a comprehensive outline of all the things the City wanted to have addressed; advised that the approach MRS is implementing is two-fold: 1) to provide a comprehensive code update that addresses the main issues that oil and gas production could bring to the City, particularly in urbanized areas, to protect the health and safety of the residents as much as possible; and 2) to ensure the new code would have a fracking ban included, as directed by City Council. He noted that MRS has provided within this update three different things: 1) administrative procedures; 2) development standards; and 3) development standards for abandonment and restoration.

With regard to administrative procedures, Mr. Perez advised that they attempted to provide the procedural requirements for someone trying to obtain a permit; noted there are a number of financial obligations for oil and gas facility operators which are proposed and also are protective of the City; that there are fines and fees for violators; and that there is a set of requirements to ensure if there is any new development of oil and gas facilities within the City, those facilities would be required to conform to the new code. With the aid of a power point presentation, he highlighted various administrative procedures, such as site abandonment, site restoration, high risk operator, operational noticing requirements, monetary compensation of violations, fines, nuisance issues resulting from operations, financial assurances, periodic reviews, and monitoring of code compliance.

With regard to development standards, Mr. Perez addressed potential environmental impacts, potential public health impacts, air quality, odors, noise, all involving standards found throughout California and from Carson's own experience with oil and gas operations in urbanized areas. He mentioned that his firm has a lot of oil and gas project experience within the southland and within urban areas and that they used some of this experience they have obtained throughout these communities to try and come up with these development standards that make sense in this community and alleviate the potential environmental impacts of oil and gas development. Other issues he highlighted were restrictions, setback requirements for residential/commercial and sensitive use areas within the community, noise impact restrictions, aesthetics restrictions, steaming standards, water quality, general environmental program, safety assurances/measures, emergency measures, leak detection, test requirements, air quality monitoring/testing, standards for wells and pipelines, site/well abandonment, site restoration and redevelopment, remediation. He stated that their approach to this oil code update essentially takes these operations from cradle to grave.

Mr. Perez highlighted the changes to the code since the last meeting stemming from Planning Commission direction, such as definition of acidification, modified applicability, clarified definition of new development, simplified change of ownership provisions, construction hour limitations, simplified requirements for signage and submittal of plan copies, removed requirements for fugitive dust control and an annual drilling plan, simplified pipeline requirements and the elimination of the Petroleum Administrator (PA).

Mr. Perez noted for Commissioner Gordon that the redlines are updates from the previous Planning Commission meeting, minus the strikeouts; explained that they chose not to highlight the knockout text because it is a cumbersome read for users, but noted they have included a line on the side where something has changed or may have been deleted from the previous version; and that anything added is shown as underlined.

Commissioner Thomas requested a copy of the redlined strikethroughs version, with all the changes to date.

Mr. Perez advised that there are 19 different updated versions of the code as they have moved forward with the refinements.

Assistant City Attorney Chaffin advised that they can provide a redline version as compared to the changes that were looked at by the Planning Commission from the last

meeting, explaining that they are not working off an original version but had started from scratch; and that what is before the Commission this evening is a consolidated new code that's being proposed.

Mr. Perez highlighted the Planning Commission's direction from the last meeting, noting they were directed to remove the PA position; that they have stricken the PA position and also in some cases have replaced the PA latitude to the City Manager; and he explained there are a number of requirements that still have to have a responsible party within the City. He added there were some areas where the PA had a lot of latitude of what they could do and that a lot of the language that included the latitude for the PA has been removed; and that there is now a lot more certainty as to what the City Manager can now do. He stated that part of the motion from the Planning Commission at the last meeting was to change the setback to 500 feet from the proposed 1,500 feet from residential use, which has been changed to reflect the Commission's direction. He noted that another part of that direction was to meet with other industry representatives and affected businesses, noting they have had a couple more meetings with industry representatives; and he added that some desire from the Planning Commission was expressed to simplify the code somewhat, but added that no specific direction was given. He expressed his belief they have simplified the code somewhat.

Mr. Perez noted that questions were posed from the Planning Commissioners regarding the availability of data; stated there are some requirements which have been placed within the code that current monitoring results/data availability is to be posted in real time and available on the City's website and/or on the operator's website; and stated that if Section 9535 is retained, the City can continue to include water usage limitations.

Mr. Perez highlighted other areas that were refined, such as including fines up to \$100,000 as part of the code. He advised that there are a total of 67 wells within Carson, noting they are not aware of any violations/fines regarding the existing facilities; pointed out that this code does not apply to these existing 67 wells because they have a vested right, they are currently operating and continue to operate under the provisions they have unless modifications or additional wells are proposed; and he added that only then they would fall under the new code. Responding to further inquiries, he explained that this code update was not put in place because of questions of any violations of the existing operators or because there are many wells, but only because City Council wanted to move forward with updating its oil code.

Mr. Perez noted some comments with the redundancy of other agency inspection responsibilities, stating that while there are a number of other state regulatory agencies that have responsibilities with oil and gas facilities, the inspection responsibility the City will have will be in addition to those responsibilities; and advised that they will be looking at different things these state agencies will be addressing. He added that in response to this concern, they have provided a hard copy (of record) of a comparison of how Carson's proposed regulations match up with state law.

Mr. Perez stated that the requirement for submersible pumping mechanisms is for aesthetics and noise reasons, but added that submersibles are not required within industrial zones; and advised that submersibles are not workable for every specific case and that they would not help much in an industrial zone.



Mr. Perez commented on emails received from the public related to concerns of earthquakes and faults in this area and questioning whether the operations are causing earthquakes; he advised that the United States Geological Survey (USGS) agency has commented about the depth of those earthquakes and the depth of which those oil wells are drilled and that they have concluded there was no opportunity for interaction between the faults, the depth of those faults, the earthquakes and the oil and gas operations. He added this was specific to the Inglewood fault which is sufficiently within the geographical area to be comparable to what is here for seismic activity.

Mr. Perez added that some in the community expressed a desire to have an outright ban on drilling; and he explained there are a number of vested rights issues, takings issues that are part of that type of a ban and a number of liability issues with an outright ban. He stated there was concern with possible dangers of drilling in Carson; noted the concern is not with existing operators because they have yet to see any problems; and stated that because the City currently has no application for any projects, it would be difficult to study/determine what dangers may exist at this point without any application.

Mr. Perez noted that industry representatives had some concerns regarding the definition of high risk operator and whether anybody can be called a high risk operator, requesting the City create a better definition; advised that they have made some modifications to the definition for high risk operator to ensure the industry concern is addressed while still retaining the opportunity to declare an operator high risk if need be. He noted that the industry representatives were concerned with a duplication of state regulations, such as fugitive/dust emissions, regulations that exist within the Air Quality Management District (AQMD), noting those have been removed from the code because of that duplication. He stated that while plans would require agency review, where the City no longer has the ability to approve those plans, the City will still be able to look at the plans and comment to an agency if the need arises, noting there was a slight change of that language. He stated that some issues are still being worked out with regard to exceptions for exploratory wells, the need for a Development Agreement (DA) and a Conditional Use Permit (CUP); and stated that the direction they currently have received is anything above three wells requires a DA and anything below three wells requires a CUP.

Mr. Perez advised that the industry is currently in the process of submitting additional language regarding insurance and bonding requirements from their own brokers as to how they will apply and whether are they workable; and advised that they are continuing to work with the industry to ensure the changes make sense but are still protective of the City's interest. With regard to industry concerns about the acidizing definition and acid volume thresholds for the wells, he noted they have made changes to those definitions to ensure those things the industry wants to do that are part of their regular operations can continue to be done, such as using acid to clean up the scale in the wells, which is not a substantial use of acid.

Mr. Perez stated that where possible, they have added in some flexibility of those requested changes; he reiterated that the changes to the oil code update do not affect the existing operations because those are grandfathered in and have vested rights; and that they would become legal, nonconforming if they were outside the setbacks or outside of the different regulatory framework of the new code and would have to come into conformance with that code if they propose any new development.

Commissioner Gordon questioned how has this been simplified.

Planning Manager Naaseh explained that it's going to be difficult to make this code simplified and is not possible to put everything that is required in a few pages.

Mr. Perez stated they did a number of different things to simplify the code; that they deleted reference to access roads and exploratory wells from the applicability section; that various duplicative requirements were deleted, such as submittal of plans that are required/approved by state agencies, and that copies of those plans will now be given to the City; deletion of the duplicative annual drilling plan, CUP and the DA requirements; and deletion of a fugitive dust control plan which was a duplicate of AQMD's requirements. He reiterated that there really was little direction from the Planning Commission on what specific modifications were to be made.

Commissioner Gordon stated that one direction was to simplify the code by not piecing it together from other codes in various municipalities; and another direction was to indicate how long will it take for someone to go through this entire process.

Planning Manager Naaseh explained that Planning deals with complicated codes all the time; stated it is sometimes necessary to have application requirements and submittal requirements and procedures that are set up to make it easier to go through the process; he stated that the City's zoning code is very long and not easy to figure out; and he noted that after a code adoption, there are ways to set up procedures that implement the code to make it easier for operators to provide projects that meet code.

Commissioner Gordon stated he would like to protect the public without making it overly complicated and burdensome on the applicants. He stated that another question was what is the cost of implementing this resolution, stating he does not want to see this effort tied up in expensive litigation when the whole purpose is to protect the public. With regard to the authority of the PA, he asked what's been redacted, noting the concern with one person having too much authority. He stated the Commission wanted the position eliminated altogether or the power greatly reduced, and asked staff to show him where the authority of the PA has been reduced.

Planning Manager Naaseh stated that the next version of the code will include the strikeouts. He added that somebody has to have the authority to implement this code.

Mr. Perez stated they were directed to either significantly cut back on the PA's authority or eliminate the position altogether; advised that they have completely removed the PA position but charged the City Manager with some of the responsibility that is required to be in place; and he highlighted various areas where the reference to the PA had been deleted, such as the responsibilities of the PA, the definition of a PA; in addition, 9507.1, CUP filing requirements, Sections H, I, and J, all of those references to the PA and requirements no longer exist, noting that a lot has been removed from the code to simplify it.

Commissioner Gordon stated he had asked for data on the largest setback requirement currently in effect in California.

Assistant City Attorney Chaffin advised that staff does not currently have that information as to what is the largest setback requirement in California because there is no central repository as to every single jurisdiction's codes/ordinances; explained that what staff has done is provided a statistical sampling with regard to oil industry areas where they are more than likely to occur, but to conclusively determine which has the greatest setback, staff does not have the resources available to do that and that it is a logistical challenge of determining that. He expressed his belief that what is before the Commission on this slide is a fairly decent representation of the setback requirements which typically range from 100 to 500 feet as a setback from residential units. He added there are some exceptions with regard to Bakersfield that have higher units and also had some environmental assessments that have assessed certain impacts, for example, those uses associated with oil, up to a total of 1,500 feet.

Commissioner Thomas asked if abandonment of a well is akin to new development and would be under the new oil and gas code once this is enacted and under the new regulations.

Planning Manager Naaseh indicated yes.

Commissioner Thomas requested a copy of the power point presentation.

Vice-Chairman Madrigal opened the public hearing.

Benjamin Hanelin, representing Californians for Energy Independence, stated that they agree with staff recommendation to continue this item; expressed his belief this is complicated and more time is needed to get it right, more time is needed to eliminate unnecessary and duplicative regulations, and more time is needed to draft a code that protects existing operations and the many jobs they support while ensuring that the City and its residents know what is needed, and that more time is needed to draft a code that provides certainty for everyone. He stated there is no need to rush because there are no pending projects. He stated that the code proposes a ban on well stimulation, including hydraulic fracturing; stated that this ban is unnecessary and that it exposes the City to substantial liability; and he urged the Planning Commission to recommend against the ban. He stated that the ban was proposed over a year ago; that much has changed since then that confirms the ban is not needed; and expressed his belief the City cannot ban these well stimulation methods.

Mr. Hanelin announced that the state's regulations on well stimulation have been finalized and will take effect on July 1<sup>st</sup>; stated that these regulations are the most stringent in the nation; that they require permits and extensive study and monitoring of hydraulically fractured wells; and that the state's EIR on well stimulation confirms there are no significant impacts to water resources and that fracking does not cause earthquakes. He stated that two separate scientific studies confirm that no water contamination has been caused by hydraulic fracturing in California and that well stimulation has no seismic impacts; and advised that these two reports were commissioned by the Bureau of Land Management and by the state of California (providing a copy of the executive summary). He added that these significant advancements obviate the need for any action; that local efforts to ban well stimulations are unwise and unnecessary; and asked that the Planning Commission recommend against the ban and recommend continuing this matter.

Michael Bowles, member of Californians for Energy Independence, a coalition comprised of hundreds of organizations throughout the state, expressed his belief the City's oil and gas code hinders energy production in this community; that it will jeopardize thousands of jobs and tax revenues which support critical services such as police, fire, parks, and schools; and he urged the City not to adopt the ban.

Cesar Avalos, resident, urged a vote against this ban, stating the oil industry is good for the local economy and working families in Carson.

Nick Gomez, resident, stated that Carson has a long history of providing good jobs; noted the importance of keeping jobs local; and he urged the City not to jeopardize jobs and not to place a ban on this industry.

Cruz Gonzalez, resident and member of Californians for Energy Independence, stated that he cares about this community; expressed his belief the updated code will have a negative local impact on tax revenues and services to residents; and he urged the City to take its time reviewing these updates and not to adopt a ban that will hurt local residents.

Germain Lopez, resident, advised that oil production in California is heavily regulated by state law; that this regulation is put in place to protect the health and safety of residents; he stated it is necessary to continue to have oil production in California, providing good jobs, vital tax revenues and help the residents of California achieve energy independence; and he expressed his opinion that enacting this code locally will interfere with the state's ability to enact comprehensive statewide regulations that protect all Californians.

Dr. Rita Boggs, resident, commented on the dangerous potential of methane gas; and stated that residents should not live anywhere near these facilities.

Cheryl Branch, resident, urged the City not to adopt the ban; she urged the City to talk to a wide range of citizens and community leaders to obtain their opinions regarding this effort; and stated that she is a member of a 7-month-old group called African Americans Organized for Better Petroleum Policies, a group which believes that reducing or banning oil production will increase prices, decrease jobs, and reduce revenues that are needed both locally and statewide. She stated that Carson can continue to benefit from the revenues generated from these operations to help the City balance its budget and provide necessary services such as police, fire, and schools; and she noted her support of continuing this item.

Tom Muller, Manatt, Phelps & Phillips, representing some of the owners of the mineral rights in Carson, noted that he provided a letter today to the Commission (of record); pointed out that the Planning Commission does not have an oil code before it for consideration because of any problems that have erupted with oil wells in Carson; advised that there are 67 oil wells in the City, noting that most of them have been here for decades; and stated that neither he nor the City's consultants have been able to find any problems associated with any of those wells, expressing his belief this is a solution searching for a problem. He expressed his belief the genesis of this effort stems from a national concern with fracking and the impacts it may or may not have, but stated it is irrelevant in Carson because the geological structures under the city of Carson are not

frackable. He added that in this atmosphere of fear over well enhancement methods, a lot of other things have gotten swept into this mix; expressed his belief that the consultants and staff, to some extent, have gotten the impression they should draft the most extreme anti-oil ordinance that's ever been encountered in California, noting that the mission has been accomplished with the first draft; but since then, he pointed out that staff has listened to all the stakeholders on all sides and there has been some progress. He stated that staff and the consultants need some clear direction. He expressed his belief that this can be simplified a lot, noting that much of what is in the ordinance is what happens below the surface of the earth; stated that is extensively governed by state regulations and with the expertise for this complex set of issues, noting he is doubtful the City has this same expertise; and stated that staff and the consultants should focus on the above-ground issues that could affect residents, believing that would be much more balanced in their approach.

Ralph Black, Rolling Hills resident and Carson property owner, suggested going very slow in this effort; stated that Hermosa Beach recently settled one of their oil/gas problems but they also are now being asked for a tax increase, questioning if that's what the City's residents want. He urged the City to be careful with its decision. He pointed out that many of Carson's residents cannot afford expensive fuel and that this is a working class community that is benefitting from the lower fuel prices.

Ted Cordova, E&B Natural Resources, Carson, advised that this company has been safely operating in Carson without incident; noted his appreciation in having the opportunity to attend the meetings and provide input, believing that some progress is being made; stated that he believes in and supports smart regulation; pointed out that California has some of the strictest oil and gas regulations in the world; and he urged the City to continue its dialogue with the industry representatives.

Al Sattler, RPV resident, congratulated the City on this process of protecting its residents, stating that the list of background publications on the City's website related to this issue is quite impressive; reminded those that this issue came to a head/start when Oxy Oil was initially proposing oil drilling and fracking; and that Oxy later withdrew their interest in fracking, but expressed his belief that is what started this process. He stated that the code needs to be explicit enough to protect the City in court while avoiding being overly complex. He asked that the City revisit the thresholds on odors, believing it needs to be more stringent.

Robert Lesley, resident, noted the need for an enforceable ordinance with fines and assessments in place; stated there is data available which indicates these operations can cause earthquakes; and expressed his belief that very few permanent jobs are created by this industry.

Alexandra Nagy, Los Angeles resident, member of Food & Water Watch, stated that Carson currently is in the top 15 percent of the most polluted cities in California, asking that be taken into consideration when adopting this code; expressed her disappointment this evening in the weakening of this code as a result of the recent changes since the beginning of this process; and she noted her opposition to backing down on the 1,500-foot setback, stating that residents are exposed to volatile organic compounds within a half-mile away of oil and gas operations, causing cancer, respiratory disease, and heart problems. She noted her concern that oil and gas operations are high risk and yet they

are allowed two violations before they are considered high risk; and reminded everyone that the safety and health of the residents should take top priority. She stated that New York just banned fracking; and she noted her concern with E&B Natural Resources not keeping up-to-date information on their website.

Diane Thomas, resident, urged the Planning Commission not to water down this code; asked that the PA provisions be put back into the code; stated that the PA is a much needed watch dog position, believing the City Manager should not be responsible for this position. She stated there are daily toxins being released into the atmosphere that are impacting the residents; advised that a nurse's union has indicated a high incidence in patients being impacted by environmental toxins; and she stated that this code needs to be understood but it also needs enough teeth to be effective. Ms. Thomas stated that she read the seismologist's report wherein it indicated those earthquakes were not caused by fracking, but she went on to say the report indicated they have not studied the issue enough. She advised that reports from Oklahoma and Texas state that fracking does cause earthquakes in those areas where there were no earthquakes before fracking activities and that they are becoming more intense.

Pilar Hoyos, representing Watson Land Company and Dominguez Energy, stated that this company is over 100 years old; advised that Dominguez Energy operated the oil field where today Dominguez Technology Center has approximately 100 buildings, both from Carson Companies and Watson Land Company; and stated that when she joined this company, there were over 200 wells that operated at that site for almost 70 years without incident. She stated this update to the code was brought about because of a project being proposed by Occidental Petroleum; noted it is unfortunate there was so much misinformation and outside forces who came in with an anti-oil message that caused a lot of fear and created a division within the community; and stated that Watson believes the Oxy project had a lot of benefits for this community, both in jobs and revenue. She pointed out that as the owner of all those buildings with Carson Companies and the surrounding industrial areas, Watson Land Company would not take risks to jeopardize those holdings. She added that a lot of work has been done to try and address the interests of the community, the concerns that have been raised over almost 3 years since the Oxy project was going through the EIR process, and it is unfortunate the message has been sent that someone cannot even go through an EIR process in this community.

Ms. Hoyos mentioned that Occidental Petroleum is being honored by the city of Long Beach; that they've had a positive long-term relationship with Long Beach for many years; and noted it's important to work together to come up with a reasonable ordinance that will protect the City but also understands the liabilities and the need to protect the mineral rights owners and operators.

Latrise Cotter (no card submitted) resident, stated it is time to update the oil code.

Vice-Chairman Madrigal closed the public hearing.

Planning Commission Motion:

Commissioner Faletogo moved to concur with staff recommendation to continue this matter to June 9, 2015; he urged staff and the consultants to continue to move things

forward and work with all interested parties; and directed staff to clearly identify all the issues and items of discussion that are consistent with state regulations/laws, asking how the City mitigates those issues and how the City amends the proposed code to be in compliance and not in conflict with state regulations.

Assistant City Attorney Chaffin suggested that with regard to the comment to identify all the issues, items of discussion that are in conflict with state regulations/laws, it would be an item more appropriate for either a confidential memo or a closed session, if there were any such laws; and that he would not recommend those be identified - if there were any conflicts - in a manner to expose the City to any legal liability. Instead, he suggested that the City could identify other regulatory requirements that are associated with the code as it currently has, articulating what those are; he pointed out that the consultants have already provided a regulatory requirements list; and stated that if Commissioner Faletogo would like additional information, that could be provided through that mechanism.

Commissioner Faletogo amended his motion to what was just stated by Assistant City Attorney Chaffin to identify other regulatory items in a confidential memo or a closed session.

Commissioner Schaefer seconded the motion.

Assistant City Attorney Chaffin responded to Commissioner Thomas' inquiry, stating that staff's recommendation is not to adopt this code this evening but to direct staff to return with a resolution for final consideration and amendments if desired by the Commission.

Commissioner Thomas stated that he would not like to see any further modifications to the existing ordinance than what has already been done to the 19 versions; that he would like a report relating to the PA, specifically, how can the City achieve the goals of minimizing the discretion of the PA, to discuss an appeals process that can be built into the process, would like a report as it relates to the applicability of that PA; and stated that he wants a better understanding of how the PA discussion has matured over these 19 versions. He added that he would like to see if there are any examples of this PA structure in other ordinances in California.

Assistant City Attorney Chaffin stated there are a couple options available, either to be done through the friendly amendment process or to direct staff to return with that information, that it wouldn't necessarily be part of the new resolution/ordinance, but a report of the requested information.

Commissioner Thomas opted for the friendly amendment.

Commissioner Faletogo accepted the friendly amendment.

Commissioner Schaefer asked that Commissioner Thomas' friendly amendment be clarified.

Assistant City Attorney Chaffin noted his understanding of Commissioner Thomas' friendly amendment is for there not to be any additional modifications to the

ordinance/resolution as provided today; that the Planning Commission is to direct staff to return with a report discussing the roles of the PA regarding how staff got to this point in this process; and to identify what the minimum steps are that can be taken to minimize the discretion of the PA and what steps could be taken for an appeals process from the decision of the PA. He concluded that from Version R-19, if staff added back in the position of the PA, how would that be done and what sort of items would be sought for an appeals process. He explained that providing this report with additional information would enable the Planning Commission to assess the report, and the Commission can either approve the resolution as it is today as a final resolution or amend the resolution at that time, making additional changes based on the contents of that report or other information provided.

Commissioner Thomas stated that is a correct understanding of his objective, reiterating he'd like to get a better understanding as a new Commissioner. He highlighted the concerns with the unlimited discretion of the PA and that he wants to know if there is a way to achieve that without eliminating the PA position in its entirety.

Commissioner Schaefer expressed her concern with any meetings that may take place between now and the next Commission meeting wherein this matter will be addressed, stating she would anticipate some changes as a result of those meetings; and stated that since Commissioner Thomas' motion was not to make any further changes to the resolution, she would be inclined to withdraw her second of this motion as amended.

Commissioner Thomas clarified that he is not suggesting the PA be added back into the document; that if there are other changes which are going to happen as a matter of course from any upcoming meetings with other interested parties, other constituents, he stated he is not opposed to that; and that he is not saying do not change this document at all. He added that rather than modify the document and add PA back in, he'd like to understand if there is another approach other than the approach that has been taken by this body by just taking out PA, turning it into the City Manager's responsibility and eliminating all the discretionary items within the document; and that he'd like to know if there is another way to achieve the same goals.

Commissioner Post offered a friendly amendment to revisit the 500-foot setback, asking that consideration be given to increasing that setback distance to 750 feet. She noted her support for the PA position to be reconsidered.

Commissioner Schaefer asked for confirmation that this resolution will continue to be a work in progress as a result of these amendments.

Commissioner Thomas indicated his amendment is for the resolution to be a work-in-progress document.

Commissioner Schaefer stated that she will maintain her second on the amended motion for a work-in-progress document to be returned to the next hearing on this matter.

Following brief discussion, Commissioner Faletogo noted his support of the friendly amendments by Commissioners Thomas and Post for a report on the PA position and giving consideration to increasing the 500-foot setback to 750 feet.



Assistant City Attorney Chaffin stated his understanding of the amended motion is as follows: continue the meeting to June 9<sup>th</sup>; to identify all the regulatory items in greater detail; provide a draft resolution and proposed ordinance at that meeting; that the draft resolution and proposed ordinance should revisit the PA position, but with greater ability to appeal from the decisions of the PA; and that the setback could be up to 750 feet from the 500 feet being proposed this evening.

Commissioner Faletogo added that staff continue their dialogue and meetings with the community and all interested parties.

Assistant City Attorney Chaffin stated that motion would hopefully result in a resolution that would be returned to the Planning Commission, including the current/existing ordinances for Commissioner Thomas; and that the Planning Commission at that time could approve it on June 9<sup>th</sup> if the Commission desired or the Commission could engage in further dialogue.

Staff confirmed for Vice-Chairman Madrigal that the suggestion/amendment for increasing the setback to 750 feet is to be revisited for discussion purposes, yes.

Motion carried, 7-0 (absent Chairman Diaz).

---

**10. CONTINUED PUBLIC HEARING**

**B) Zone Text Amendment No. 20-15**

Applicant's Request:

The applicant, city of Carson, is requesting the Planning Commission consider adoption of an Ordinance prohibiting hydraulic fracturing ("fracking"), acidizing and any other form of well stimulation, and the associated CEQA finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308. Properties involved would be citywide.

Staff Recommendation:

Identify additional refinements or items, if any, to include in the recommendation; and DIRECT staff to prepare an updated resolution and ordinance consistent with that direction and return for final approval by the Planning Commission at the regular meeting scheduled for June 9, 2015.

Assistant City Attorney Chaffin noted that with the late hour and with many people having provided testimony this evening on the oil matter, he suggested this public hearing be opened and noted that Vice-Chair Madrigal has the option to direct staff to incorporate the discussion of the previous item into this matter. He added that there have been no substantial changes from the last meeting; that there are only two sections which deal with this aspect; stated that those have been included in the consolidated code update that was provided with Item No. 10A; that staff has not received any additional direction or changes; noted that those items did not substantially involve the PA; but to the extent the PA would be involved, anything that staff would come back with would also have those items included in this matter; and that it is staff's recommendation to continue this matter to June 9<sup>th</sup>.

Vice-Chairman Madrigal opened the public hearing.

Latrise Cotter, (no card submitted) resident, expressed her belief that underground drilling has affected her livelihood since Oxy has come in with its project, noting she can hear the operations in the evening.

Lori Lewis (no card submitted) resident, urged the Commission to take its responsibility seriously; and noted her opposition to oil drilling in Carson.

Vice-Chairman Madrigal closed the public hearing.

Planning Commission Decision:

Vice-Chairman Madrigal moved, seconded by Commissioner Faletogo, to continue this matter to June 9<sup>th</sup>. Motion carried, 7-0 (absent Chairman Diaz).

---

Vice-Chairman Madrigal and Commissioner Thomas noted they had made site visits for Item Nos. 11 A&B. Vice-Chairman Madrigal stated that he spoke with the applicant, Mr. Gonzalez.

---

**11. PUBLIC HEARING**

**A) Conditional Use Permit No. 974-15**

Applicant's Request:

The applicant, Robert Gonzalez, is requesting to approve a conditional use permit for an existing second dwelling unit located within the RS (Residential, Single-Family) zoning district. The subject property is located at 2558-2560 East Madison Street.

Staff Report and Recommendation:

Planning Technician Alexander provided staff report and the recommendation to APPROVE Conditional Use Permit No. 974-15 subject to the conditions of approval attached as Exhibit "B" to the Resolution; and WAIVE further reading and ADOPT Resolution No. 15-2541, entitled, "A Resolution of the Planning Commission of the city of Carson approving Conditional Use Permit No. 974-15 for an existing second dwelling unit for a property located at 2558-2560 East Madison Street."

Vice-Chairman Madrigal opened the public hearing.

Robert Gonzalez, applicant, noted his concurrence with the conditions of approval.

Vice-Chairman Madrigal closed the public hearing.

Planning Commission Decision:

Commissioner Faletogo moved, seconded by Commissioner Schaefer, to approve the applicant's request, thus adopting Resolution No. 15-2541. Motion carried, 7-0 (absent Chairman Diaz).

---

**11. PUBLIC HEARING**

**B) Conditional Use Permit No. 967-15**

Applicant's Request:

The applicant, Michael Chandler, is requesting to approve a conditional use permit for an existing second dwelling unit located within the RS (Residential, Single-Family) zoning district. The subject property is located at 2722-2724 East Madison Street.

Staff Report and Recommendation:

Planning Technician Alexander presented staff report and the recommendation to APPROVE Conditional Use Permit No. 967-15 subject to the conditions of approval attached as Exhibit "B" to the Resolution; and WAIVE further reading and ADOPT Resolution No. 15-2542, entitled, "A Resolution of the Planning Commission of the city of Carson approving Conditional Use Permit No. 967-15 for an existing second dwelling unit for a property located at 2722-2724 East Madison Street."

Vice-Chairman Madrigal opened the public hearing.

Michael Chandler, applicant, noted his concurrence with the conditions of approval.

Vice-Chairman Madrigal closed the public hearing.

Planning Commission Decision:

Commissioner Post moved, seconded by Commissioner Thomas, to approve the applicant's request, thus adopting Resolution No. 15-2542. Motion carried, 7-0 (absent Chairman Diaz).

---

**11. PUBLIC HEARING**

**C) General Plan Amendment No. 96-15; Zone Change No. 173-15;  
Specific Plan No. 13-15; Design Overlay Review No. 1569-15;  
Parcel Merger No. 273-15**

Applicant's Request:

The applicant, Chris Earl, Affirmed Housing, is requesting approval of the Sepulveda and Panama Specific Plan to develop a mixed-use project consisting of 65 senior residential units and 3,000 square feet of commercial uses. The subject property is located at 402 E. Sepulveda Boulevard.

Staff Report and Recommendation:

Associate Planner Rojas presented staff report and the recommendation to APPROVE Design Overlay Review No. 1569-15 and Parcel Merger No. 273-15 subject to the conditions of approval attached as Exhibit "B" to the Resolution and contingent upon City Council approval of General Plan Amendment No. 96-15, Zone Change No. 173-15, Specific Plan 13-15; RECOMMEND APPROVAL of General Plan Amendment No. 96-15, Zone Change No. 173-15, Specific Plan 13-15 and adoption of the Mitigated Negative Declaration for the Sepulveda and Panama Project to the City Council; WAIVE

further reading and ADOPT Resolution No. 15-2543, entitled, "A Resolution of the Planning Commission of the city of Carson approving Design Overlay Review No. 1569-15 and Parcel Merger No. 273-15 and recommending that the City Council adopt General Plan Amendment No. 96-15, Zone Change No. 173-15, Specific Plan No. 13-15 and Mitigated Negative Declaration for the construction of a 65-unit residential mixed-use development for property located at 402 E. Sepulveda Boulevard."

Commissioner Schaefer asked if only one elevator is being provided, questioning if the City has any requirements related to the number and location of elevators.

Associate Planner Rojas advised that two elevators are being provided in the same location; and stated that the City's current code does not have specific guidelines on the number of elevators based upon building height.

Commissioner Schaefer asked if the City ever requires the use of solar panels.

Associate Planner Rojas stated that mandatory solar panel requirements are not currently within the City's zoning code.

Planning Manager Naaseh explained that the building codes are getting more stringent; stated that he believes the updates to the building codes will address these issues; mentioned that this developer has constructed another project on Figueroa Street which has solar panels; and he encouraged the Commission to request that this developer install solar panels on this project where feasible.

Commissioner Faletogo asked what was the reaction of the approximate 20 people who attended the community meeting regarding this project; asked how many notices were sent; and asked for input on the financial rent thresholds for affordability of this project.

Associate Planner Rojas stated that most of the attendees were pleased with the proposed project, one stating they were happy that something was being done with this blighted, vacant lot; advised that all residents/owners within 500 feet of this project site were notified; and stated that 44 of the units will be available to very low-income seniors and 21 of the units will be available to low-income seniors.

Vice-Chairman Madrigal asked if the income guidelines were set by HUD.

Commissioner Thomas echoed the concerns with two elevators being located in one location, noting the plans for a very long corridor; and he expressed his concern with adequate emergency evacuation provisions for these seniors. He noted his concern with only four wheel-chair accessible units being provided out of 65 units; and with only four wheelchair parking spaces out of 52 in the residential portion in comparison with 2 wheelchair accessible spaces being provided out of 15 parking spaces in the commercial area.

Associate Planner Rojas advised that this project has been circulated for input by the City's traffic engineer, water quality, and building and safety staff to ensure it meets code requirements, noting that each department had no issue with the location of the two elevators in the same bank. He added that the ADA parking spaces meets code.

Commissioner Thomas asked for input on the alley access way at the southeast side of the building.

Associate Planner Rojas explained that this exit stairway was included to address fire code requirements and is only intended to be used to exit the building, not enter the building.

Commissioner Thomas asked what keeps the door from being propped open; and he asked for further input on the reasoning for increasing the density on this site, asking if the Specific Plan is approved, can they add more units.

Planning Manager Naaseh explained that Planning has several other projects they are looking at with higher densities and that the 65 units per acre is a General Plan designation they have come up with that will address the needs of other projects as well. Planning Manager Naaseh added that the applicant could add more units, but they would have to come back before the Commission for approval. He added that this Specific Plan and General Plan Amendment would have to be approved by City Council; and that if City Council makes any significant changes to those approvals, then that would impact the design of this project, and the applicant would have to come back before this Commission to obtain approval for any revision. He mentioned that the plans will go through the Building and Safety Department before a building permit is issued to ensure the project meets all codes.

Commissioner Thomas asked for further input on the parking plan, questioning the recommendation for 5 motorcycle parking spaces for this senior facility.

Vice-Chairman Madrigal asked if the power lines in the alleyway will be placed under ground; and he asked if the Commission can require the applicant to improve the alleyway, noting it needs a lot of work.

Associate Planner Rojas advised that a condition is included to underground the utilities near the alley; and that a condition has been added to require the applicant improve the quality of the alleyway surface after construction activities have been completed, noting the heavy equipment could damage a new surface.

Commissioner Thomas questioned whether the community room, laundry room and computer room accommodations are sufficient for 65 units.

Vice-Chairman Madrigal asked what, if any, commercial uses are being proposed.

Associate Planner Rojas advised that no retail tenant has been identified at this time.

Vice-Chairman Madrigal opened the public hearing.

Chris Earl, Affirmed Housing applicant, stated that he has been involved in designing, funding, and developing six housing communities in the southland; and noted this is an affordable housing community that will take advantage of low-income housing tax credits; that they are specifically required to meet gold or green Leadership in Energy and Environmental Design (LEED) standards; that they will put as many solar panels on this project rooftop where feasible, noting they have approximately \$300,000 allocated

90

for those solar panels; and happily announced that their Carson Harbor Green community on Figueroa Street recently received a Platinum LEED award. He advised that 220 mailers were sent out to the residents/owners within a 500-foot radius. He confirmed that there are two elevators in one bank/tower, noting this meets code and is typical with this size project.

Mr. Earl noted that this senior community will be for people 62 years old and up; that the rents start at \$443 for a one-bedroom unit and go up to a maximum of \$845 a month for a two-bedroom unit; stated that there are 4 units which have ADA grab bars in the restrooms; and that all the units are handicapped accessible, which is a requirement. He explained that there will be some protective fencing to separate the alleyway to this site which will be controlled by FOB key access; and advised that Solari Management Company will be managing this property, noting this is a very experienced property management organization specializing in multifamily, affordable housing. He stated there will be no motorcycle spaces but they are providing bicycle spaces. Mr. Earl explained that the ratio of one washer/dryer for every 10 units has served their communities very well; and noted that they might be able to squeeze in one or two more computer areas.

Vice-Chairman Madrigal asked if they will provide grab bars for any other units if requested, free of charge to the residents.

Mr. Earl stated yes. Mr. Earl stated a parking management plan that has successfully been used at other senior housing communities will be applied at this site; that they are permitted to ask how many vehicles a potential resident will be bringing to this site; and that if they do not have the parking spaces to allocate to their potential clients, then they will let them know they cannot service their needs and they may have to look elsewhere for housing.

Commissioner Post noted her concurrence with the concerns for the safety and ease of access to the four stories, noting her concern for access to the elevators during an emergency; stated that she is pleased this long-time vacant and blighted property is being developed, believing it will be an asset to this area; and she asked that all steps be taken to protect the seniors onsite.

Diane Thomas, resident, echoed the concerns for ease of access for the seniors, noting that seniors will have too long of a walk if they live on the opposite side of the building from the elevator bank; and she requested that the units be comfortably sized, pointing out that the units across the street from City Hall are beautifully sized. She asked that the developer not just meet the minimum fire code requirements.

Charlotte Brimmer, resident, stated that this is a beautiful project, but urged the City to not forget providing housing for workforce clients when addressing the Housing Element; noted her support for applying solar panel requirements; asked if there will be a full-time property manager onsite; and she suggested a workshop on the Housing Element for the new Commissioners.

Mr. Earl indicated that a property manager will live on site.

There being no further input, Vice-Chairman Madrigal closed the public hearing.

Assistant City Attorney Chaffin explained that if the Commission is inclined to approve the project this evening, it will be contingent on City Council's approval of the Mitigated Negative Declaration, General Plan Amendment, rezoning, and Specific Plan; that if the Design Overlay Review and Parcel Merger being potentially/contingently approved by the Planning Commission this evening becomes inconsistent with the General Plan Amendment or rezoning and/or the Specific Plan conditions that is ultimately adopted by the City Council, there are already conditions incorporated to require the applicant to file a modification to the items that are before the Commission this evening; additionally, he suggested that if it is inconsistent, that any motion should also give staff the option to return directly to the Planning Commission for any further modifications that can be done at that point in order to provide maximum flexibility to staff.

Commissioner Andrews noted his desire for the plan to be modified to address the concerns with the location of the two elevators.

Assistant City Attorney Chaffin advised that Vice-Chairman Madrigal may call upon the applicant's representative to answer more questions.

Ricky De La Rosa, project architect, advised that the building follows all codes for the number of units being provided; and explained that he would have to study how any modification to the elevators would impact the design of the stacked units and the parking layout and how any modification would affect this application. In response to the concerns with emergencies, such as fire, he pointed out that elevators should never be used during those kinds of emergencies, only the stairways; and advised that this building will be fully sprinklered and designed to meet all safety requirements.

Commissioner Andrews noted his concern with seniors having to walk too far in this development, asking that the project meet more than just the minimum requirements.

Mr. De La Rosa reiterated that he will take a look at the design and the elevator location; advised that he also designed the senior/market rate housing across the street from City Hall that Ms. Thomas had referred to this evening, noting it has a similar layout and one bank of elevators as well; and stated he is very familiar with the demands of senior housing. He added that the units at this proposed project are larger than the ones across the street from City Hall; and he mentioned that an affordable housing project and design guidelines for tax credit allocations require a minimum of 550 square feet for a one-bedroom unit and 650 square feet minimum for a two-bedroom unit.

Commissioner Faletofo asked that the applicant take into consideration the concerns expressed by the Planning Commission this evening; and noted that this is a beautiful project that will make a significant and beautiful addition to that area.

Planning Commission Decision:

Commissioner Faletofo moved, seconded by Commissioner Schaefer, to approve staff recommendation, incorporating Assistant City Attorney Chaffin's comments with regard to City Council approval: "If the Planning Commission is inclined to approve the project this evening, it will be contingent on the City Council approval of the Mitigated Negative Declaration, General Plan Amendment, rezoning, and Specific Plan; noted that if the

Design Overlay Review and Parcel Merger being potentially/contingently approved by the Planning Commission this evening becomes inconsistent with the General Plan Amendment or rezoning and/or the Specific Plan conditions that is ultimately adopted by the City Council, there are already conditions incorporated to require the applicant to file a modification to the items that are before the Planning Commission this evening; additionally, if it is inconsistent, that any motion should also give staff the option to return directly to the Planning Commission for any further modifications that can be done at that point in order to provide maximum flexibility to staff.”

Commissioner Thomas offered a friendly amendment to the motion to reduce the distance of the elevator at least by half, believing this gives the architect enough flexibility for a redesign.

Planning Manager Naaseh suggested language to require the applicant to provide a study of alternative locations for the elevators per the Planning Commission’s direction, noting the alternative study may potentially require some changes to the site plan; and requested that staff be authorized to approve the amended site plan if it’s in conformance to the approved site plan; he explained that the applicant is under very tight timelines for funding this project through the state, believing this should alleviate any concern with meeting state funding deadlines; and he encouraged the Planning Commission to also include the installation of solar panels where possible.

Commissioner Faletofo accepted the friendly amendment and the comments by Planning Manager Naaseh.

Commissioner Thomas asked what will happen if the applicant says they cannot move the location of the elevators.

Planning Manager Naaseh explained that if it requires a major redesign of the project and it has to come back to the Planning Commission, it may have an impact on this project going forward.

Commissioner Thomas stated he’d like to give staff all the discretion to move this proposal forward without having to come back to the Planning Commission, but that he would like the elevator distances to meet the concerns voiced this evening, stating he does not want the seniors to have to walk too far to use the elevators.

Planning Manager Naaseh stated that unless the applicant has an issue with the condition that’s been posed, staff will work with the applicant to address that concern.

Commissioner Schaefer accepted the amendments to the original motion.

Motion passes, 7-0 (absent Chairman Diaz).

---

Vice-Chairman Madrigal recessed the meeting at 8:20 P.M. and reconvened the meeting at 8:30 P.M.

---



**12. WRITTEN COMMUNICATIONS**

Provided this evening (of record) related to the Oil Code Update:

- Alston & Bird, letter dated May 12, 2015
- Latham & Watkins, letter dated May 12, 2015
- Manatt, Phelps, Phillips, letter dated May 12, 2015

**13. MANAGER'S REPORT** None

**14. COMMISSIONERS' REPORTS**

Commissioner Schaefer welcomed the new Commissioners, noting she is looking forward to working with them; she thanked staff for all the reports this evening; and thanked Mr. Perez for answering her questions. She asked that a future agenda item include discussion about changing the City's zoning code for installation of solar panels on new projects.

Commissioner Thomas thanked staff and the consultants for their fantastic/helpful reports this evening.

Commissioner Faletogo congratulated Chairman-Elect Louie Diaz and Vice-Chairman Madrigal, believing each will do a good job; and stated it has been an honor serving as the Chairman of the Planning Commission for the past several years and that it is an honor to continue working on this Commission.

Vice-Chairman Madrigal welcomed all the Commissioners, noting he is looking forward to working with them and staff again, noting he served on this Commission from 1985 to 1998; and expressed his belief that Chairman-Elect Diaz will do a good job.

**15. ADJOURNMENT**

At 10:55 P.M., the meeting was formally adjourned to Tuesday, May 26, 2015, 6:30 P.M., Helen Kawagoe City Council Chambers.

\_\_\_\_\_  
Chairman

Attest By:

\_\_\_\_\_  
Secretary

CITY OF CARSON  
PLANNING COMMISSION  
RESOLUTION NO. 15 - \_\_\_\_\_

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CARSON RECOMMENDING THE CITY COUNCIL TO ADOPT TEXT AMENDMENT NO. 20-15, ADDING SECTIONS 9536 AND 9536.1 TO, AND AMENDING SECTION 9505 OF, CHAPTER 5 OF ARTICLE IV OF THE CARSON MUNICIPAL CODE TO PROHIBIT HYDRAULIC FRACTURING (“FRACKING”), ACIDIZING AND ANY OTHER FORM OF WELL STIMULATION IN CONJUNCTION WITH THE PRODUCTION OR EXTRACTION OF OIL, GAS OR OTHER HYDROCARBON SUBSTANCES IN THE CITY; AND RECOMMENDING APPROVAL OF A FINDING OF A CLASS 8 CATEGORICAL EXEMPTION UNDER CEQA GUIDELINES §15308

WHEREAS, all oil and gas operations have the potential for significant and immediate impacts on the health, safety, and welfare of the citizens of Carson through increased noise, odor, dust, traffic, and other disturbances, as well as the potential to significantly impact the City’s air, water, soil, geology, storm water and wastewater infrastructure, transportation, noise exposures, emergency response plans and aesthetic values and community resources; and

WHEREAS, the City of Carson zoning and land use standards and regulations on oil and gas drilling have not been updated in several years, and have not been updated prior to various changes in oil and gas production practices and changes to state statutes and regulations; and

WHEREAS, the City Council held a variety of meetings regarding these and related issues associated with petroleum operations on March 18, 2014, April 15, 2014, April 29, 2014, and May 20, 2014; and

WHEREAS, on March 18, 2014, the City Council adopted Urgency Ordinance No. 14-1534U entitled “An Interim Urgency Ordinance of the City of Carson, California, Establishing a 45-Day Temporary Moratorium on the Drilling, Redrilling or Deepening of any Wells Within the Jurisdiction of the City of Carson that are Associated with Oil and/or Gas Operations, and Declaring the Urgency thereof;” and

WHEREAS, on May 20, 2015, the City Council directed City Staff to commence a complete and comprehensive review to update the Municipal Code regarding oil and gas operations and to study and address all modern-day drilling issues and applications; and

WHEREAS, as part of this process, City Council directed City Staff to address regulation of hydraulic fracturing (“fracking”), acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city; and

WHEREAS, City Staff were also directed to have at least two workshops with the community to receive community input and feedback; and

WHEREAS, the Community Development Department also initiated Text Amendment No. 20-15 to facilitate this review; and

WHEREAS, the City of Carson has reviewed and studied revisions as necessary to the City's laws, rules, procedures and fees related to petroleum operations and facilities, to enable the City to adequately and appropriately balance the rights of existing operators and future applicants who wish to develop oil and gas drilling and extraction facilities in the City, with the preservation of the health, safety and welfare of the communities surrounding the oil and gas drilling and extraction facilities in the city; and

WHEREAS, as part of this review process the City of Carson has engaged in significant community outreach regarding this matter, including sending mailed notices of community meetings to the approximately 30,000 resident addresses in the city, publishing notices in the newspaper, and holding three community meetings regarding oil and gas operation issues, including fracking and other well stimulation techniques; and

WHEREAS, City of Carson Staff prepared a proposed Ordinance prohibiting fracking and other well stimulation techniques, made it available on the internet on February 11, 2015, and received public feedback during the community meeting on February 18, 2015; and

WHEREAS, the Planning Commission of the City of Carson subsequently received and reviewed the proposed Ordinance prohibiting fracking and other well stimulation techniques at a duly noticed meeting held at 6:30 a.m. on February 24, 2015, at the Congresswoman Juanita Millender-McDonald Community Center, Community Halls ABC, 801 East Carson Street, Carson, CA 90745; and

WHEREAS, public testimony and evidence, both written and oral, was considered by the Planning Commission of the City of Carson; and

WHEREAS, the Planning Commission of the City of Carson continued the item to its regular meeting of April 14, 2015; and

WHEREAS, informal informational sessions were held with various members of the Planning Commission throughout the day on March 30, 2015; and

WHEREAS, City of Carson Staff provided additional refinements and made the updated proposed Ordinance and other studies, reports and documents available on April 7, 2015; and

WHEREAS, the City of Carson engaged in additional community outreach and met with interested members of the community, environmental groups, and oil and gas interests on April 8, 2015; and

WHEREAS, the Planning Commission of the City of Carson subsequently received and reviewed the updates to the proposed Ordinance at a duly noticed meeting at 6:30 a.m. on April 14, 2015, at City Hall, Helen Kawagoe Council Chambers, 701 East Carson Street, Carson, California, 90745; and

WHEREAS, public testimony and evidence, both written and oral, was considered by the Planning Commission of the City of Carson; and

WHEREAS, the Planning Commission of the City of Carson continued the item to its regular meeting of May 12, 2015, with direction to City Staff to further revise the proposed Ordinance and engage in further discussions with interested groups; and

WHEREAS, the City of Carson engaged in additional community outreach and had an additional meeting with representatives of oil and gas interests on May 26, 2015; and

WHEREAS, the Planning Commission of the City of Carson subsequently received and reviewed the revisions to the proposed Ordinance at a duly noticed meeting at 6:30 a.m. on May 12, 2015, at City Hall, Helen Kawagoe Council Chambers, 701 East Carson Street, Carson, California, 90745; and

WHEREAS, public testimony and evidence, both written and oral, was considered by the Planning Commission of the City of Carson; and

WHEREAS, the Planning Commission of the City of Carson continued the item to its regular meeting of June 9, 2015, with direction to City Staff to further revise the proposed Ordinance and engage in further discussions with interested groups; and

WHEREAS, the City of Carson engaged in additional community outreach and had an additional meeting with representatives of oil and gas interests on May 26, 2015; and

WHEREAS, the Planning Commission of the City of Carson subsequently received and reviewed the proposed Ordinance at a duly noticed meeting at 6:30 a.m. on May June 9, 2015, at City Hall, Helen Kawagoe Council Chambers, 701 East Carson Street, Carson, California, 90745; and

WHEREAS, public testimony and evidence, both written and oral, was again considered by the Planning Commission of the City of Carson; and

WHEREAS, Planning Commission of the City of Carson has reviewed Text Amendment No. 20-15 for consistency with the General Plan and all applicable Specific Plans; and

WHEREAS, after considering public testimony and receiving information, the Planning Commission of the City of Carson desires to recommend approval of Zone Text Amendment No. 20-15, which prohibits fracking, acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances, to the City Council of the City of Carson; and

WHEREAS, the Planning Commission of the City of Carson has also reviewed and also desires to recommend approval of a finding of a Class 8 Categorical Exemption under CEQA Guidelines §15308, as the Ordinance is an action taken by a regulatory agency for the protection of the environment, to the City Council of the City of Carson; and

WHEREAS, it is the intent of the recommendation of the Planning Commission of the City of Carson that petroleum operations shall be permitted within the City of Carson, except where expressly prohibited, subject to the application the Carson Municipal Code and all other applicable laws, regulations and requirements; and

WHEREAS, it is a purpose of said recommendation of adoption to protect the health, safety, public welfare, physical environment and natural resources of the City of Carson by the reasonable regulation of certain petroleum operations.

**NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF CARSON, CALIFORNIA, HEREBY FINDS, RESOLVES AND ORDERS AS FOLLOWS:**

**Section 1.** Text Amendment No. 20-15 was assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines (the Guidelines), and the environmental regulations of the City. The Planning Commission hereby recommends a finding and determination by the City Council that the adoption of Text Amendment No. 20-15 is exempt from CEQA pursuant to Section 15308 of the Guidelines for actions taken by regulatory agencies to assure the maintenance, restoration, enhancement, or protection of the environment. Such a finding and determination is warranted because this Ordinance is intended to further regulate oil and gas production in the City in such a way as to better protect the environment. No exception to the exemption under CEQA Guideline Section 15300.2 applies.

**Section 2.** The Planning Commission of the City of Carson has reviewed Text Amendment No. 20-15, an Ordinance prohibiting fracking and other well stimulation techniques within the City of Carson, and hereby finds it is consistent with the General Plan and all applicable Specific Plans.

**Section 3.** The Planning Commission of the City of Carson, based on its own independent judgment, finds that Text Amendment No. 20-15 promotes and protects the health, safety, welfare, and quality of life of City residents, including protection against nuisances, and adopts the Findings of Fact, attached as Exhibit "A" and incorporated in full by reference, any one of which findings would be sufficient to support adoption of this Text Amendment.

**Section 4.** The Planning Commission hereby recommends approval to the City Council of an Ordinance to adopt Text Amendment No. 20-15 adding sections 9536 and 9536.1 to, and amending section 9505 of, Chapter 5 of Article IV of the Carson Municipal Code to prohibit hydraulic fracturing, acidizing and any other form of well stimulation in conjunction with the production or extraction of oil, gas or other hydrocarbon substances in the city (Exhibit "B").

Section 5. The Secretary shall certify to the adoption of the Resolution and shall transmit copies of the same to the City Council of the City of Carson.

PASSED, APPROVED AND ADOPTED THIS 9<sup>th</sup> DAY OF JUNE, 2015.

---

CHAIRMAN

ATTEST:

---

SECRETARY

## EXHIBIT "A"

### FINDINGS OF FACT

The Planning Commission of the City of Carson, based on its own independent judgment, finds that Text Amendment No. 20-15 promotes and protects the health, safety, welfare, and quality of life of City residents and reduces nuisances as set forth in these Findings of Fact, any one of which findings would be sufficient to support a recommendation to adopt this Text Amendment, and any one of which may rely upon evidence presented in the other, including as follows:

#### I. Well Stimulation Treatments Have More Intense Impacts Than Traditional Operations

Low-intensity traditional petroleum operations generally involve drilling wells through which oil or gas flows naturally or is pumped up to the surface. Well stimulation treatments are different. Hydraulic fracturing, acidizing, or any other well stimulation treatments typically include high-pressure injections of solvents, acids, and other chemicals, to fracture or dissolve underground formations. Well stimulation treatments threaten limited water resources in ways that low-intensity and traditional petroleum operations do not. While some well stimulation treatments have previously occurred, new advances in fracturing and stimulation technologies enable oil and gas recovery in fields and formations that were previously uneconomical to produce. Use of well stimulation treatments to extract oil and gas from the Dominguez Oil Field could give rise to an increase in the number of active wells in the City, leading to additional operational impacts on the City's residents including noise, odor, glare and other impacts. Additionally, there are currently dozens of inactive or plugged oil and gas wells scattered throughout the City and neighboring jurisdictions, many of which have not been abandoned to current State requirements. These wells have been drilled through, and penetrate, a groundwater basin relied upon by the City to provide potable water. Well stimulation treatments may be used not only to drill new wells but also to reactivate these old wells or cause abandoned wells to fail in ways that adversely impact the public health, safety and welfare. The impacts and risks associated with well stimulation treatments are too great for the City to accept.

#### II. Limited Water Supplies Should Be Preserved

##### A. Extreme Drought Conditions Throughout State Result In Water Shortages

The City, region and State of California are experiencing extreme drought conditions, and have been struggling to preserve potable water resources for most of the decade. On June 12, 2008, the Governor issued Executive Order S-06-08 calling for a State of Emergency regarding water shortages and availability. The State of Emergency was again called on February 27, 2009. Additionally, the Water Conservation Bill of 2009 SBX7-7 was passed, which requires every urban water supplier that either provides over 3,000 acre-feet of water annually, or serves more than 3,000 urban connections, to assess the reliability of its water sources over a 20-year planning horizon, and report its progress on 20% reduction in per-capita urban water consumption by the year 2020. Executive Order S-06-08 was not rescinded until March 30, 2011. Even then the Governor urged Californians to continue to conserve water.

Shortly thereafter extreme drought conditions once again resulted in water shortages. On January 17, 2014 the Governor again proclaimed a State of Emergency regarding water shortages and availability. On April 25, 2014, the Governor issued an executive order to speed up actions necessary to reduce harmful effects of the drought, and called on all Californians to redouble their efforts to conserve water. On December 22, 2014, Governor Brown issued Executive Order B-28-14, citing to the January 17, 2014 Proclamation and the April 25, 2014 Proclamation, and extending the operation of those proclamations until May 31, 2016.

During this period of time the State Water Resources Control Board (SWRCB) has been adopting new water conservation regulations. On July 15, 2014, SWRCB adopted emergency regulations prohibiting all individuals from engaging in certain water use practices and require mandatory conservation-related actions of public water suppliers during the current drought emergency. On March 17, 2015, the SWRCB amended and re-adopted the emergency drought conservation regulations, and they became effective on March 27, 2015.

Following the lowest snowpack ever recorded and with no end to the drought in sight, on April 1, 2015, the Governor directed the SWRCB to implement mandatory water reductions in cities and towns across California to reduce water usage by 25 percent. This is the first time in state history such drastic steps have ever been ordered due severe drought conditions. The SWRCB continues to adopt new water and emergency conservation regulations for all of California to address systemic water shortages.

#### B. Hydraulic Fracturing (“Fracking”) Can Use Several Magnitudes More Water A Day Than Used By The Entire City of Carson

Between 100,000 and 1,000,000 gallons of water are required to perform a typical fracking operation for a single well, and the process is most successful when all wells in a particular field are fracked simultaneously. These numbers can vary according to the type of operation being conducted. For example, the U.S. EPA reports that fracturing shale gas wells requires between 2,300,000 to 3,800,000 gallons of water per well –not including 40,000 to 1,000,000 of water required to drill the well.<sup>1</sup> Water requirements within Texas’ Eagle Ford Shale area can be even greater, where fracking can use up to 13,000,000 gallons of water per well excluding water required to drill the well.<sup>2</sup>

Even using the more conservative numbers, a fracking field of 200 wells can require 20,000,000 to 200,000,000 gallons of water, requiring approximately 3,300 to 33,000 round-trip deliveries by diesel trucks often occurring in as little as a 24-hour period – just for water.<sup>3</sup> Potential land use and nuisance activities from these operations include water shortages from

---

<sup>1</sup> Cooley, Heather and Kristina Donnelly, "Hydraulic Fracturing and Water Resources: Separating the Frack from the Fiction," Pacific Institute, June 2012, p. 15; see also "Information on Shale Resources, Development, and Environmental and Public Health Risks," United States Government Accountability Office, September 2012 (showing average ranges of 3,000,000 gallons to 4,600,000 for certain oil fields).

<sup>2</sup> Cooley, Heather and Kristina Donnelly, "Hydraulic Fracturing and Water Resources: Separating the Frack from the Fiction," Pacific Institute, June 2012, p. 15.

<sup>3</sup> Use of trucks having a capacity of approximately 3,000 gallons would more than double this amount. See Shonkoff, Seth B, "Public Health Dimensions of Horizontal Hydraulic Fracturing: Knowledge, Obstacles, Tactics, and Opportunities," April, 2012. p. 3.



drought conditions, traffic, air emissions, noise, vibration, potential contamination of surface and subsurface water, and aesthetics. These impacts can increase by more than 130% -380% using the averages from the U.S. EPA.

The 2010 Urban Water Management Plan for the California Water Service Company - Dominguez District, which includes the City of Carson, sets district-specific targets of 193 gallons per capita day (gpcd) by 2015, and 171 gpcd by 2020.<sup>4</sup> The City of Carson had a 2010 population of 91,714,<sup>5</sup> which at target levels would result in a targeted consumptive use of water of about 18,000,000 gallons per day by 2015, and about 16,000,000 gallons per day by 2020. As a result, a single fracking operation for 200 wells could use more water in a one or two day period than the entire City of Carson would use more than 12 days under the Urban Water Management Plan. When recent drought reduction targets are added in, fracking a field of 200 wells could use more water in one or two day period than the entire City of Carson would use in about 14 days. If the U.S. EPA averages are used, fracking a field of 200 wells could use more water than the entire City of Carson would consume for a period of 26 to 42 days based on 2015 water consumption targets. With each well potentially expected to be fracked between one and ten times over its lifetime,<sup>6</sup> fracking a field of more 200 wells could use more water than the entire City would consume in a year.

Use of water for fracking operations could result in a significant impact on water resources for both the City and the surrounding area. Limited water supplies should be preserved municipal and other critical uses.

### III. Transportation of Water Required for Operations Creates Land Use and Nuisance Activities

As noted above, hydraulic fracturing operations generate a significant amount of truck traffic. All of the materials and equipment needed for activities associated with hydraulic fracturing, including water and chemicals, are typically transported to the site by trucks. Additionally, wastewater from natural gas operations is usually removed by tanker truck to the disposal site or to another well for reuse. Truck trip for hydraulic fracturing of a horizontal well have been estimated at 3,950 truck trips per well during early development of the well field, which is two to three times greater than is required for conventional wells. Much of the truck traffic is concentrated over the first 50 days following well development.<sup>7</sup> For an operation involving 200 wells, this would result in approximately 790,000 truck trips. Wastewater disposal may require additional trips.

---

<sup>4</sup> The 2010 Urban Water Management Plan for the California Water Service Company - Dominguez District, [http://www.water.ca.gov/urbanwatermanagement/2010uwmps/CA%20Water%20Service%20Co%20-%20Dominguez%20District/ DOM\\_UWMP\\_2010.pdf](http://www.water.ca.gov/urbanwatermanagement/2010uwmps/CA%20Water%20Service%20Co%20-%20Dominguez%20District/ DOM_UWMP_2010.pdf).

<sup>5</sup> U.S. Census Bureau, 2015, Quick Facts -Carson California, <http://quickfacts.census.gov/qfd/states/06/0611530.html>.

<sup>6</sup> See Shonkoff, Seth B, "Public Health Dimensions of Horizontal Hydraulic Fracturing: Knowledge, Obstacles, Tactics, and Opportunities," April, 2012. p. 3.

<sup>7</sup> Cooley, Heather and Kristina Donnelly. "Hydraulic Fracturing and Water Resources: Separating the Frack from the Fiction," Pacific Institute, June 2012, p. 25.

One report has noted the increase in traffic associated with well stimulation techniques to be “the most constant source of aggravation, stress, and fear” for residents in the area.<sup>8</sup> Transport associated with well stimulation treatments operations through the City to well locations will result in potential adverse land use and nuisance activities include traffic loads, increased risk of truck accidents including releases chemical or wastewater spills, air emissions, noise, traffic congestion, degraded road quality, vibration, and aesthetics - each of which is detrimental to the public health, safety and welfare.

Hauling water for fracking from outside the City also impacts water resources. The City relies on groundwater water sources tracked by the Water Replenishment District. The City is primarily located within the West Coast Basin area, which underlies 160 square miles in Los Angeles County. Additionally, the City is located adjacent to the Central Basin, which also underlies much of the Los Angeles area west of the City. Both of these basins are located in areas subject to extreme drought conditions, and transporting water from other portions of a shared basin will also impact water resources available to the City and surrounding areas. Likewise, hauling water from other regions within the state, or even adjacent states, would be taking water resources from other areas experiencing extreme drought conditions and water shortages. Even use of saltwater or other non-potable sources of water in fracking and other well-stimulation activities increases nitrates and other chemicals in both groundwater and surface water supplies as a result of migration, spills, flow-back, and other factors related to petroleum operations and hydrocarbon extraction. The City and the surrounding area rely upon groundwater and surface water supplies to provide potable and other types of water for its residences and businesses. Regardless of where water is proposed to be acquired for fracking operations, transporting the water to and through the City to well locations will result in potential land use and nuisance activities from these operations including water shortages from drought conditions, traffic, air emissions, noise, vibration, potential contamination of surface and subsurface water, and aesthetics.

#### IV. City Cannot Afford the Risks of Groundwater Pollution or Negative Impacts on Water Quality

While water withdrawals directly affect the availability of water for other uses, water withdrawals in the volumes required for fracking can also affect water quality. For example, withdrawals of large volumes of water can adversely impact groundwater quality through a variety of means, such as mobilizing naturally occurring substances, promoting bacterial growth, causing land subsidence, and mobilizing lower quality from surrounding areas.<sup>9</sup> A number of studies reviewed by the United States Governmental Accountability Office indicate that shale oil and gas development pose risks to water quality from contamination of surface water and groundwater as a result of erosion from ground disturbances, spills and releases of chemicals and other fluids, or underground migration of gases and chemicals.<sup>10</sup> A study has also found

---

<sup>8</sup> Bailin, Deborah, P. Rogerson, J. Agatstein, J. Imm and P. Phartiyal, "Toward an Evidence Based Fracking Debate: Science, Democracy, and Community Right to Know in Unconventional Oil and Gas Development," Union of Concerned Scientists, October 2013, p. 15.

<sup>9</sup> Cooley, Heather and Kristina Donnelly. "Hydraulic Fracturing and Water Resources: Separating the Frack from the Fiction," Pacific Institute, June 2012, p. 17.

<sup>10</sup> See "Information on Shale Resources, Development, and Environmental and Public Health Risks," United States Government Accountability Office, September 2012.

dissolved methane at levels more than 17 times higher than those found in wells in areas without drilling.<sup>11</sup>

Groundwater contamination from oil and gas operations can occur through a variety of mechanisms. Oil and gas are located at varying depths, often below underground sources of drinking water. The well bore, however, must be drilled through these drinking water sources in order to gain access to the oil and gas. Vibrations and pressure pulses associated with drilling can cause short-term impacts to groundwater quality, including changes in color, turbidity, and odor. Chemicals and natural gas can escape the well bore if it is not properly sealed and cased. While there are state requirements for well casing and integrity, accidents and failures can still occur.<sup>12</sup> Further, wells that are hydraulically fractured have some unique aspects that increase the risk of contamination. For example, hydraulically fractured wells are commonly exposed to higher pressures than wells that are not hydraulically fractured. In addition, hydraulically fractured wells are exposed to high pressures over a longer period of time as fracturing is conducted in multiple stages, and wells may be re-fractured multiple times – primarily to extend the economic life of the well when production declines significantly or falls below the estimated reservoir potential.<sup>13</sup> An analysis has found that more than 6% of wells utilized for hydraulic fracturing had compromised structural integrity, and that the risk of water contamination from such failure may be significant.<sup>14</sup> Another study noted that wellbores used for enhanced oil recovery operations were particularly vulnerable to leakage problems.<sup>15</sup>

As an additional consideration, old, abandoned wells can also potentially serve as migration pathways for contaminants to enter groundwater basins and systems.<sup>16</sup> There are currently large numbers of abandoned wells located within the City, and hundreds located in adjacent jurisdictions sharing a common groundwater basin. Natural underground fractures as well as those potentially created during the fracturing process could also serve as conduits for groundwater contamination. Wellbore leakage can lead to the deterioration of the quality of groundwater.<sup>17</sup>

Many well stimulation treatments involve the mixing, transport, or storage of toxic and hazardous chemicals for use in fracking or acidizing fluid. They also generate a considerable amount of wastewater that can contain these chemicals along with hydrocarbons, naturally occurring dissolved salts, and other elements harmful to human health and safety. The

---

<sup>11</sup> "Blind Rush? Shale Gas Boom Proceed Amid Human Health Questions," *Environmental Health Perspectives*, Vol. 119, No. 8, 2011.

<sup>12</sup> Cooley, Heather and Kristina Donnelly. "Hydraulic Fracturing and Water Resources: Separating the Frack from the Fiction," Pacific Institute, June 2012, p. 17.

<sup>13</sup> "Information on Shale Resources, Development, and Environmental and Public Health Risks," United States Government Accountability Office, September 2012, p. 45.

<sup>14</sup> See Kiparsky, Michael and Jayni Foley Hein, "Regulation of Hydraulic Fracturing in California: A Wastewater and Water Quality Perspective," Berkeley Center for Law, Energy & the Environment, April 2013, p. 20.

<sup>15</sup> "Towards a Road Map for Mitigating the Rates and Occurrences of Long-Term Wellbore Leakage," University of Waterloo, Geofirma Engineering Ltd., May 22, 2014, 3.3.2.1.

<sup>16</sup> Cooley, Heather and Kristina Donnelly. "Hydraulic Fracturing and Water Resources: Separating the Frack from the Fiction," Pacific Institute, June 2012, p. 17; see also Jackson, Robert B., et al., "The Environmental Costs and Benefits of Fracking," *Annual Review*, 2014, 39:340.

<sup>17</sup> "Towards a Road Map for Mitigating the Rates and Occurrences of Long-Term Wellbore Leakage," University of Waterloo, Geofirma Engineering Ltd., May 22, 2014.

wastewater and chemicals from these operations could contaminate the City and surrounding region's groundwater through improper storage or disposal, surface spills, or other means. Given the City's heavy reliance on groundwater, groundwater contamination could have devastating impacts on the local economy and water supplies.

#### V. Surface Spills and Leaks

All extraction activities come with some risk of surface or groundwater contamination from the accidental or intentional release of waste. In the case of hydraulic fracturing, common wastes of concern including fracking fluid, additives, flowback and produced water. Fluids released into the ground from spills or leaks can run off into surface water and/or seep into the groundwater.

Spills can occur at any stage during the drilling lifecycle. Chemicals are hauled to the site, where they are mixed to form the fracturing fluid. Accidents and equipment failure during on-site mixing of the fracturing fluid can release chemicals into the environment. Above-ground storage pits, tanks, or embankments can fail. Vandalism and other illegal activities can also result in spills and improper wastewater disposal. Given the large volume of truck traffic associated with hydraulic fracturing, truck accidents can also lead to chemical or wastewater spills.<sup>18</sup>

While there are reports of spills and leaks associated with hydraulic fracturing operations, the extent of the issue has yet to be quantified on a national basis. Given the uncertainty of the frequency, severity, cause and impact of spills associated with hydraulic fracturing, prohibition of well stimulation treatments is warranted given the severity of the risks associated with such operations.

Finally, a recent study noted that reported wellbore leakage in active onshore drilling ranged from approximately 7% to 64% across a wide variety of locations.<sup>19</sup> The likelihood of leakage is significant given the potentially high level of risk that can be associated with petroleum operations. Leakage can impact groundwater, air quality, cause odors, contaminate soil, and result in a variety of other nuisance, health, safety and welfare issues.

#### VI. Air Pollution, Particulate Matter and Odors

Significant methane emissions have been attributed to natural gas production activities.<sup>20</sup> In addition to land and water contamination issues, at each stage of production and delivery tons of toxic volatile compounds (VOCs), including BTEX, other hydrocarbons and fugitive natural gas (methane) can escape and mix with nitrogen oxides (NOx) from the exhaust of diesel-fuel, mobile and stationary equipment, to produce ground-level ozone. This ozone can cause

---

<sup>18</sup> Cooley, Heather and Kristina Donnelly. "Hydraulic Fracturing and Water Resources: Separating the Frack from the Fiction," Pacific Institute, June 2012, p. 27, see also Bailin, Deborah, P. Rogerson, J. Agatstein, J. Imm and P. Phartiyal, "Toward an Evidence Based Fracking Debate: Science, Democracy, and Community Right to Know in Unconventional Oil and Gas Development," Union of Concerned Scientists, October 2013, p. 10.

<sup>19</sup> See "Towards a Road Map for Mitigating the Rates and Occurrences of Long-Term Wellbore Leakage," University of Waterloo, Geofirma Engineering Ltd., May 22, 2014.

<sup>20</sup> See Allen, David T., V.M. Torres, J. Thomas, et al., "Measurements of Methane Emissions at Natural Gas Production Sites in the United States," Proceedings of the National Academy of Sciences, August 2013.

irreversible damage to the lungs.<sup>21</sup> The most commonly used air toxins in production involving well stimulation techniques include crystalline silica, methanol, hydrochloric acid, formaldehyde, amorphous silica, hydrofluoric acid, naphthalene, 2-butoxy ethanol, alumina/aluminum oxide, xylene and glutaral/pentanedial.<sup>22</sup> Each of these toxins can pose significant health and safety risks.<sup>23</sup> The pollutant of primary health concern emitted from the transportation component of hydraulic fracturing is fine diesel particulate matter (PM). A review by the California Air Resources Board indicated there is a 10% increase in the number of premature deaths per 10 ug/m<sup>3</sup> increase in PM<sub>2.5</sub> exposure.<sup>24</sup> A study has also found that residents living less than half a mile from unconventional gas well sites were at greater risk of health effects from air pollution from natural gas development than those living farther away from well sites.<sup>25</sup>

Hydraulic fracturing can also create silica dust clouds. Large quantities of silica sand are used during hydraulic fracturing. Transporting, moving and refilling silica sand into and through sand hoppers can release dusts containing silica into the air. Breathing silica can cause silicosis, a lung disease. Acute silicosis nearly always leads to disability and death. The operational Occupational Safety and Health Administration (OSHA) and the National Institute for Occupational Safety and Health (NIOSH) have issued a hazard alert for worker exposure to silica dust during hydraulic fracturing.<sup>26</sup>

Air quality in the City and region already falls below state standards for some of the pollutants related to production activities. Residents want to protect the air they breathe from these threats.

## VII. Deleterious Public Health Effects

Development and production of operations utilizing well stimulation techniques involve multiple sources of physical stressors (e.g. noise, light, and vibrations), toxicants (e.g. benzene, constituents in drilling and well stimulation treatment fluids) and impacts on air emissions.<sup>27</sup>

Technology to recover natural gas depends on undisclosed types and amounts of toxic chemicals. Based on compilations of products used during natural gas operations, approximately 353 chemicals contained in these products have potential health effects. Of these, more than 75% of the chemicals could affect the skin, eyes and other sensory organs, and the respiratory

<sup>21</sup> Colborn, Theo, C. Kwiatkowski, K. Schultz and M. Bachran, "Natural Gas Operations from a Public Health Perspective," Human Ecological Risk Assessment, September 2011, pp. 1309-1056.

<sup>22</sup> See "Air Toxics One-Year Report: Oil Companies Used Millions of Pounds of Air-Polluting Chemicals in Los Angeles Basin Neighborhoods," Center for Biological Diversity, Physicians for Social Responsibility - LA, Communities for a Better Environment, Center on Race, Poverty and the Environment, June 2014, p. 4-5.

<sup>23</sup> *Id.*

<sup>24</sup> Shonkoff, Seth B, "Public Health Dimensions of Horizontal Hydraulic Fracturing: Knowledge, Obstacles, Tactics, and Opportunities," April, 2012. p. 3.

<sup>25</sup> See Bailin, Deborah, P. Rogerson, J. Agatstein, J. Imm and P. Phartiyal, "Toward an Evidence Based Fracking Debate: Science, Democracy, and Community Right to Know in Unconventional Oil and Gas Development," Union of Concerned Scientists, October 2013, p. 11.

<sup>26</sup> "Hazard Alert: Worker Exposure to Silica during Hydraulic Fracturing," Occupational Safety and Health Administration, 2012.

<sup>27</sup> Macey, Gregg P., et al, "Air Concentrations Of Volatile Compounds Near Oil And Gas Production: A Community-Based Exploratory Study," Environmental Health, October 30, 2014, p. 2.

and gastrointestinal systems. Approximately 40-50% could affect the brain/nervous system, immune and cardiovascular systems, and the kidneys; 37% could affect the endocrine system; and 25 % could cause cancer and mutations. These results indicate that many chemicals used during the fracturing and drilling stages of gas operations may have long-term health effects not immediately expressed.<sup>28</sup>

Well stimulation treatments associated with development gas resources can result in direct and fugitive air emissions of a complex mixture of pollutants from the natural gas itself as well as diesel engines, tanks containing produced water, and on site materials used in production, such as drilling muds and fracking fluids. This complex mixture of chemicals and resultant secondary air pollutants, such as ozone, can be transported to nearby residences and population centers.<sup>29</sup>

Residents living less than ½ mile from wells are at greater risk for health effects from well stimulation treatments and other types of unconventional natural gas development. Multiple studies on inhalation exposure to petroleum hydrocarbons in occupational settings as well as residences near refineries, oil spills and petroleum stations indicate an increased risk of eye irritation and headaches, asthma symptoms, acute childhood leukemia, acute myelogenous leukemia, and multiple myeloma. Many petroleum hydrocarbons near wells include benzene, ethylbenzene, toluene, and xylene, all of which have known toxicity impacts. Assessments have concluded that ambient benzen levels demonstrate an increased potential risk of developing cancer as well as chronic and acute non-cancer health effects. Health effects associated with benzen include acute and chronic nonlymphocytic leukemia, acute myelogenous leukemia, acute myeloid leukemia, chronic lymphocytic leukemia, anemia and other blood disorders and immunological effects. Additionally, inhalation of xylene, benzen and alkanes can adversely affect the nervous system.<sup>30</sup>

#### VIII. Risk of Induced Seismicity

While available research does not identify a direct link between hydraulic fracturing and increased seismicity, studies indicate that there could be an effect to the extent that increased use of hydraulic fracturing produces increased amounts of water that is disposed of through underground injection.<sup>31</sup>

In addition to requiring large amounts of water, well stimulation treatments also create large quantities of wastewater (“flowback” or “produced water”) that contain contaminants which can reach toxic concentrations. Flowback and produced water are typically very saline and can contain heavy metals, organic contaminants and other materials from deep in the formation which makes treatment and recycling difficult. As a result, the wastewater produced

<sup>28</sup> Colborn, Theo, C. Kwiatkowski, K. Schultz and M. Bachran, "Natural Gas Operations from a Public Health Perspective," Human Ecological Risk Assessment, September 2011, pp. 1309-1056; See also "Chemicals Used in Hydraulic Fracturing," United States House of Representatives Committee on Energy and Commerce, April, 2011, p. 1.

<sup>29</sup> McKenzie, Lisa M., et al., "Human Health Risk Assessment Of Air Emissions From Development Of Unconventional Natural Gas Resources," Science of the Total Environment, February 2012.

<sup>30</sup> Id.

<sup>31</sup> "Information on Shale Resources, Development, and Environmental and Public Health Risks," United States Government Accountability Office, September 2012, p. 52.

during oil and gas extraction is either disposed of or reused for additional oil and gas extraction in a process called “secondary recovery” or “enhanced oil recovery.” In California, the most common wastewater disposal method is trucking or piping the wastewater for injection into deep wastewater injection wells.<sup>32</sup> Approximately 90-95% of wastewater is re-injected either for reuse or disposal.<sup>33</sup>

The underground of injection of wastewater has long been documented to induce earthquakes. Wastewater injected into rock formations can build up significant pressure depending on a variety of complex factors. This pressure build-up can induce an earthquake if the pressure is relayed to a fault that is already stressed and close to failure. The pressure can reduce the natural friction on the fault enough to cause it to slip and trigger an earthquake. The larger the fault, the larger the magnitude of earthquakes it can host.<sup>34</sup>

Earthquakes can cause catastrophic levels of damage and are a threat to the public health, safety and welfare. The magnitude of earthquakes accompanying wastewater injection has been attributed up to 5.7 M<sub>w</sub>.<sup>35</sup> Almost half of the 4.5 M or larger earthquakes to strike the interior of the United States in the past decade have occurred in regions of potential injection-based seismicity.<sup>36</sup> If a major earthquake such as a magnitude 7.8 were to occur along the San Andreas fault, it could cause 1,800 fatalities and nearly \$213 billion in economic damages.<sup>37</sup>

One of the main areas of concern lies in Los Angeles County, where underground injection wells and oil and gas wells subjected to hydraulic fracturing and acidizing are located very near faults that have been shown to be active within 150 to 200 years.<sup>38</sup> The City of Carson is within Los Angeles County and near a variety of faults in the area. Given the increased risk of inducing earthquakes, as well as the severity of the danger posed, the Planning Commission finds that operations utilizing well stimulation techniques are a nuisance and create a risk to the public, health and safety.

#### IX. Oil and Gas Operations Impact Aesthetics

Oil and gas operations utilize unsightly derricks and rigs for drilling, re-drilling, workovers and other operations. The number of unsightly derricks, rigs and other surface equipment would be increased in order to carry out operations involving well stimulation techniques. This is compounded by the large trucks and traffic traveling on the City’s roadways through the community, dust, and stadium lighting from around-the-clock drilling rigs. These aesthetic impacts are contrary to the urban nature of the City, are a nuisance and create a risk to the public, health and safety.

---

<sup>32</sup> Arbelaes, J., et al., “On Shaky Ground: Fracking, Acidizing, and Increased Earthquake Risk in California,” 2014, p. 6-9.

<sup>33</sup> Kiparsky, Michael and Jayni Foley Hein, “Regulation of Hydraulic Fracturing in California: A Wastewater and Water Quality Perspective,” Berkeley Center for Law, Energy & the Environment, April 2013, p. 19.

<sup>34</sup> Id.

<sup>35</sup> Jackson, Robert B., et al., “The Environmental Costs and Benefits of Fracking,” Annual Review, 2014, 39:345.

<sup>36</sup> Bailin, Deborah, P. Rogerson, J. Agatstein, J. Imm and P. Phartiyal, “Toward an Evidence Based Fracking Debate: Science, Democracy, and Community Right to Know in Unconventional Oil and Gas Development,” Union of Concerned Scientists, October 2013, p. 13.

<sup>37</sup> Id., p. 22

<sup>38</sup> Id.

## X. Oil and Gas Operations Are Incompatible With Residential Uses

The City is urbanized<sup>39</sup> with a large residential population. The City's population in 2010 was 91,714 people,<sup>40</sup> in an area of approximately 19.2 miles.<sup>41</sup> Oil and gas development projects are industrial operations that are incompatible with residential uses and quality of life. Petroleum operations often generate noise, odor, visual effects, significant heavy truck traffic, and other impacts noted in these Findings that create safety and general welfare concerns in residential areas. For these reasons, all petroleum operations should be directed away from areas with residential land use designations and the uses regulated to reduce adverse impacts on residents and the community.

## XI. Well Stimulation Operations Are Not The Way To Grow A Health Economy

Operations utilizing well stimulation techniques do not provide the long-term local job opportunities that are necessary for a healthy, sustainable local economy. Rather, rapid development of oil resources can lead to “boom-and-bust” growth that is ultimately harmful to the local economy. It is debatable whether operations utilizing well stimulation techniques will create any new jobs in in the City in the long term—and they could degrade the assets and resources upon which a prosperous future for the City depends.

The City wishes to create modern job opportunities in clean energy, renewables, and green technology, which can be compatible with existing economic strengths and the quality of the community. A healthy, sustainable economy requires developing a diversity of energy resources, such as wind and solar. The City plans to meet California greenhouse gas reduction targets and stimulate local businesses and the economy by supporting new renewable energy development. Operations utilizing well stimulation techniques are non-renewable, carbon emitting, and extractive technologies that are incompatible with these goals and with preserving what makes the City a desirable place to live and work.

---

<sup>39</sup> City of Carson 2004 General Plan, 2014-2021 Housing Element, p. 7.

<sup>40</sup> U.S. Census Bureau, 2015, Quick Facts –Carson California,  
<http://quickfacts.census.gov/qfd/states/06/0611530.html>.

<sup>41</sup> City of Carson 2004 General Plan, p. I-3.



**EXHIBIT "B" TO  
PLANNING COMMISSION RESOLUTION**

**TEXT AMENDMENT NO. 20-15**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, TO ADOPT TEXT AMENDMENT NO. 20-15, ADDING SECTIONS 9536 AND 9536.1 TO, AND AMENDING SECTION 9505 OF, CHAPTER 5 OF ARTICLE IV OF THE CARSON MUNICIPAL CODE TO PROHIBIT HYDRAULIC FRACTURING ("FRACKING"), ACIDIZING AND ANY OTHER FORM OF WELL STIMULATION IN CONJUNCTION WITH THE PRODUCTION OR EXTRACTION OF OIL, GAS OR OTHER HYDROCARBON SUBSTANCES IN THE CITY

**Section 1.** Article IX, Chapter 5, Section 9536 (Prohibited Uses) of the Carson Municipal Code is hereby added to read, in its entirety, as follows:

**9536 Prohibited Uses**

The operator shall not use or cause to be used hydraulic fracturing, acidizing, or any other well stimulation treatment. Notwithstanding any other provision of this article, it shall be unlawful to use or cause to be used any land within the City for the purpose of conducting or enabling hydraulic fracturing, acidizing, or any other well stimulation treatment in conjunction with the production or extraction of oil, gas or other hydrocarbon substance from any subsurface location within the City, other than normal maintenance work that utilizes acidizing techniques. However, to the extent that any permittee demonstrates to the City Manager, that (1) well stimulation is necessary to recover the operator's reasonable investment backed expectation established through investment made before the effective date of this ordinance; and (2) that such well stimulation will not create a nuisance due to an adverse impact on persons or property within the City, then the City Manager may authorize such well stimulation pursuant to a permit issued pursuant to this ordinance. This Section shall remain in full force and effect unless otherwise required by any applicable State or Federal law, regulation or judicial determination.

**Section 2.** Article IX, Chapter 5, Section 9536.1 (Violation of Prohibited Uses) of the Carson Municipal Code is hereby added to read, in its entirety, as follows:

**9536.1 Violations of Prohibited Uses**

Any operator who violates Section 9536 of this ordinance shall be subject to the enforcement proceedings including those found in Sections 9512, 9513, and 9515 in addition to the following:

A. If an operator is found responsible for violation of Section 9536, the operator will be responsible for paying the City a fine of up to \$100,000 per calendar day, depending on the severity of the violation, at the discretion of the City Manager.

110

B. In addition to fines, the City Manager may also require an immediate shutdown of all operations at a oil and gas site where violations of Section 9536 have been identified, as long as the shutdown would not otherwise threaten public health, safety or welfare.

Section 3. Article IX, Chapter 5, Section 9505 (Applicability to Existing Uses) of the Carson Municipal Code is hereby amended to read, in its entirety, as follows:

**9505 Applicability to Existing Uses**

All portions of this ordinance are applicable to new or existing oil and gas sites and operators if they have or are required to obtain a CUP. For oil and gas sites lawfully existing at the time of adoption of this ordinance and do not have or are not required to obtain a new CUP, only the following sections are applicable:

- 9506 Well Drilling Permit
- 9521 Setbacks
- 9522 Site Access and Operations
- 9523 Lighting
- 9524.1 Landscaping
- 9526 Signage
- 9527 Steaming
- 9530 Safety Assurances and Emergency/Hazard Management
- 9531 Environmental Resource Management
- 9532 Standards for Wells
- 9533 Standards for Pipelines
- 9535 Operational Prohibitions
- 9536 Prohibited Uses

Violations of these sections shall also be subject to enforcement mechanisms contained in this ordinance and Code.



# ALSTON & BIRD LLP

333 South Hope Street, 16th Floor  
Los Angeles, CA 90071-1410

213-576-1000  
Fax: 213-576-1100  
www.alston.com

Nicki Carlsen

Direct Dial: 213-576-1128

Email: nicki.carlsen@alston.com

May 12, 2015

VIA EMAIL ONLY  
dbothe@carson.ca.us

Planning Commission  
City of Carson  
701 East Carson Street  
Carson, CA 90745

Re: Zone Text Amendment Nos. 19-15 and 20-15

Dear Honorable Members of the Planning Commission:

We represent E&B Natural Resources Management Corp. ("E&B"), and are writing regarding the City of Carson's proposed Oil and Gas Ordinance (dated May 4, 2015) and Ordinance to ban well stimulation, also referenced as Text Amendments No. 19-15 and No. 20-15, to be heard by the Planning Commission on May 12, 2015. These ordinances were heard by the Commission on April 14, 2015, who provided direction to City staff in revising the ordinances. We submitted a letter, dated April 13, 2015, identifying many concerns regarding the ordinances, and suggested a further dialogue between the City and E&B and others with oil and gas interests in the City.

The proposed Oil and Gas Ordinance is lengthy regulatory program (over 60 pages), including provisions for the permitting process (Conditional Use Permit and Development Agreement) as well as detailed provisions regarding operational standards. As explained in our April 13, 2015 letter, we had many questions regarding how these provisions were to be interpreted, particularly with respect to those with existing oil and gas operations and vested rights.

After the last Planning Commission meeting, the City convened a meeting with the oil and gas interests, held April 28, 2015, and we made important progress in understanding the City's objectives and in conveying our thoughts regarding the proposed ordinances. Nonetheless, with many companies in attendance, not all issues were discussed, and several of the issues that were discussed required follow up action items. (For example, we were reviewing the insurance provision to determine the commercial availability of certain insurance coverage.)

Planning Commission  
May 12, 2015  
Page 2

As noted in our prior letter, we may not reach agreement on all issues, but it is a worthwhile endeavor to understand and clarify the City's intent and interpretation of these proposed ordinances. Many of the issues raised in our April 13, 2015 letter merit further discussion. (The April 13, 2015 letter is hereby incorporated by reference.) To that end, we believe that additional dialogue with the City would be beneficial to minimizing our differences and developing an Oil and Gas Ordinance which is understood by those that it would regulate. We are having another meeting right before the May 12, 2015 Planning Commission hearing, but given the timing, we may not have sufficient time to consider any results from that meeting and present them to the Commission. As such, the Staff Report acknowledges our request to continue this matter, and City staff has recommended that the matter be continued until June 9, 2015 meeting.

We also understand the composition of the Commission has changed with the addition of several new members. This continuance would also provide additional time for the new Commissioners to review the files and to become acquainted with the history of these proposed ordinances. Given the length and complexity of the proposed Oil and Gas Ordinance, and the many pages of comments and concerns, we believe that the City would be well served by continuing this matter until the June 9, 2015 meeting. In any case, we will be in attendance at the May 12, 2015 meeting and available for questions.

Sincerely,

ALSTON & BIRD LLP



Nicki Carlsen

NC:kl

cc: Denise Bothe, Planning Secretary (Via Email)  
Shannon L. Chaffin, Esq. (Via Email)  
Saied Naaseh (Via Email)

LEGAL02/35546911v1